



Foreign Minister Amr Moussa of Egypt, left, conferring with Secretary of State James A. Baker 3d at the Moscow talks.

Palestinians Boycott Talks Over Eligibility Dispute Baker Says Complaint Has Merit As Moscow Phase Gets Under Way

By John M. Goshko Washington Post Service

MOSCOW — Palestinian delegates on Tuesday boycotted the opening meeting of the multilateral phase of the Middle East peace talks because some Palestinians were declared ineligible to take part.

"We did not come to Moscow to be part of a truncated delegation or to represent only one-third of the Palestinian people," said Hani Ashrawi, spokeswoman for the Palestinian delegation.

Mrs. Ashrawi charged that the rules set by the United States and Russia, co-sponsors of the peace process, were unacceptable because they did not allow adequate representation for those Palestinians outside of Israel's occupied territories.

Mr. Baker said, "We're sorry that they're not here."

If the Palestinians stay away, Jordan would be the only participant in the three separate sets of bilateral negotiations with Israel to take part in this companion multilateral stage of the peace process. Syria and Lebanon took part in the bilateral negotiations but have refused to join the multilateral talks.

Mr. Baker said that the United States and

Russia had told the Palestinians that they would support including Palestinians in working groups discussing issues such as refugees and economic development, where there is a clear Palestinian interest.

"We need assurances that the Palestinian delegation will participate in the activities of the multilateral conference here in Moscow," she said. "You cannot exclude us and say, 'Play it by ear, and we'll see what can be done later on.'"

Two other Arab countries that were scheduled to attend the talks were also boycotted.

See TALKS, Page 4

Yeltsin Visits Black Sea to Press Russian Claim to Navy Health Questions Linger Despite an Appearance With Fleet Commanders

By Serge Schmemmann New York Times Service

MOSCOW — Reappearing in public as abruptly as he disappeared, President Boris N. Yeltsin of Russia made a surprise visit to the disputed Black Sea Fleet on Tuesday, boarding the cruiser Moskva in an evident demonstration of Russia's concern for and claim to the former Soviet Navy.

The trip solved the mystery of Mr. Yeltsin's abrupt cancellation of meetings for Tuesday, including one with the Japanese foreign minister. The question was why the Russian leader had decided to visit the Black Sea Fleet at this point, while Middle East peace talks are under way in Moscow and on the eve of his trip to London, New York, Washington and Ottawa.

The cancellations, which went unexplained for 24 hours, renewed rumors about his health and an alleged predilection for drink.

Mr. Yeltsin visited the fleet via Novorossiisk, Russia's only major port on the Black Sea. The dissolution of the Soviet Union left the Crimea and much of the sea's north shore under Ukrainian jurisdiction, and the eastern shore in Georgia's.

The Russian leader was accompanied by Marshal Yevgeni I. Shaposhnikov, the military commander of the Commonwealth of Independent States, and Admiral Vladimir Chernomir, commander of the Commonwealth Navy. Their host was the Black Sea commander, Admiral Igor Kasatonov.

Mr. Yeltsin's spokesman, Pavel Vostchakov, issued a statement that the president had made the trip "in the framework of preparations to the upcoming session of the United Nations Security Council" and his meetings with U.S., British and Canadian leaders, with whom he intended to discuss "nuclear security problems."

According to the statement, Mr. Yeltsin was staying at the Moskva to "acquaint himself with its technical characteristics and to meet the personnel."

But the independent Interfax news agency also reported that Mr. Yeltsin assured the ship's crew that the Black Sea Fleet would come under the unified armed forces of the Commonwealth. This indicated that the president also was there to underscore Moscow's rejection of Ukraine's claim to the fleet.

The fleet has become the focal point of a dispute over the future of Soviet armed forces on or off its shores to pledge allegiance to Ukraine. The claim to the fleet in particular roused strong resistance in Moscow, which had considered the navy to belong either to the Commonwealth or to Russia.

The Black Sea Fleet has its headquarters in Sevastopol in the Crimea, which is now part of Ukraine.

Russian and Ukrainian negotiators reached a broad agreement earlier this month to leave the bulk of the fleet under the Commonwealth, but many details have yet to be worked out.

Comments by naval officers after meeting with Mr. Yeltsin indicated that the fleet's objection to the Ukrainian claim was the central subject.

A senior navy officer, Rear Admiral Vladimir Solovye, told Tass the main theme of Mr. Yeltsin's meeting with the officers was that "the Black Sea Fleet is a fleet of the Commonwealth."

"It does not protect a specific republic, but the whole Commonwealth of Independent States," Admiral Solovye said.

Admiral Kasatonov was quoted as saying that Mr. Yeltsin "made sure once again our stand remains unchanged — the Black Sea Fleet is indivisible."

Interfax reported that Mr. Yeltsin also promised the fleet that Russia would do its best to

See YELTSIN, Page 4

With Bull Deal, France Puts Its Computing Future in IBM's Hands

By Tom Redburn International Herald Tribune

PARIS — The French government, in a move that marks a final concession that its state-owned electronics companies cannot survive alone, announced Tuesday that IBM had won the competition to acquire a stake in the ailing computer maker Groupe Bull.

International Business Machines Corp. beat out Hewlett-Packard Co. in a months-long internal government battle; the debate was over the best American partner for Bull became caught up in France's increasingly desperate bid to develop a viable industrial strategy to prop up its troubled electronics companies.

The French government now seems prepared to make common cause with U.S. industrial giants it once feared were bent on European domination in hopes of fending off fierce Japanese competition.

The deal opens the way for IBM to sell a broad array of computer hardware and services to Bull's customers in Europe.

IBM executives have been struggling themselves to adapt the behemoth company to fast-paced changes in computer technology that have made many of its products out-of-date. IBM lost \$2.8 billion in 1991, the first loss in its 80-year history, and profits dropped more than 60 percent at IBM's French subsidiary.

The Bull president, Francis Lorenz, who forged alliances with President Francois Mitterrand and Finance Minister Edith Cresson's support for Hewlett-Packard, said the choice was "the best" outcome for Bull.

"It is the proposition that I had made to the prime minister and I am pleased that it was upheld," Mr. Lorenz said. "The agreement is broader than that which we could have had with Hewlett-Packard."

IBM, according to government officials, will spend about \$100 million to acquire slightly more than 5 percent of Bull.

Bull will remain an independent company,

with the French government as its overwhelmingly dominant shareholder. The French company also will maintain its existing ties with NEC Corp., of Japan, which owns a 4.7 percent share in Bull and supplies it with its top-of-the-line mainframe computers.

"IBM's holding is there to represent IBM's commitment to this accord and not to take control," Mrs. Cresson said.

For France, the deal symbolizes the burial of a longstanding dream, launched with great fanfare by President Charles de Gaulle, to create an effective state-owned French computer company out of a hodgepodge of separate firms. Bull has never overcome the problems of its

state-sponsored birth, however, and lost a record \$1.24 billion in 1990.

The Bull-IBM pact follows the government's decision last month to merge the ailing consumer electronics and semiconductor businesses of Thomson SA with the profitable civilian activities of France's Atomic Energy Commission.

Rather than join forces with Hewlett-Packard, which first opened discussions with Bull and enjoys a technological and market lead over IBM in the fast-growing computer workstation market, the government decided that

See BULL, Page 11

South Africa Detains 10 Key Rightists

Compiled by Our Staff From Dispatches

JOHANNESBURG — The government began a crackdown Tuesday on South Africa's leading white-extremist group, arresting the country's most militant rightist leader and nine associates.

The detention of Eugene Terre-Blanche, head of the paramilitary Afrikaner Resistance Movement, seemed certain to outrage extreme rightists who have already threatened to use violence to prevent President Frederik W. de Klerk's moves toward sharing power with the black majority.

The Afrikaner Resistance Movement, thought to have a few thousand members, is the largest of several such groups. Most observers say it could pose a serious threat to Mr. de Klerk's policies were it to take up arms.

The movement's members were released on bail. A police spokesman said they would be charged with public violence in connection with a riot that broke out in Mr. Terre-Blanche's hometown of Ventersdorp last August when Mr. de Klerk gave a speech there. Two members were shot and killed in a clash with the police. A black passer-by also was killed.

Mr. Terre-Blanche said after his court appearance that the arrests showed the government was insincere in trying to get the right to end its boycott of negotiations for a new constitution.

"I am warning the South African police: If this is the way they handle right-wing leaders in the future, they are heading for conflict, they are really heading for trouble," he said.

The police gave no explanation for the delay between the August incident and the arrests Tuesday, but such police action is not uncommon in South Africa.

The timing of the arrests appeared to be

See ARREST, Page 4

State of Gloom in U.S. Increases the Stakes for Bush's Speech

By Robin Toner New York Times Service

NEW YORK — In his State of the Union Message, President George Bush will address a nation that is gloomier than it has been in 13 years, more disapproving of his presidency than ever and increasingly willing to try a Democrat in the White House, according to the latest New York Times/CBS News Poll.

The survey suggests that Mr. Bush's speech Tuesday night may be the most important of his presidency. He is facing a discontented and volatile electorate that on a variety of issues is willing to give the opposition party the benefit of the doubt.

Seventy-three percent of those polled see the country as being in worse shape today than it was five years ago, a crucial measure of the national mood that has not been this grim since the days of "malaise" under Jimmy Carter, when the figure was 63 percent.

The public tends to think a Democratic president would do a better job on improving schools, helping the middle class, assuring national health care and even ending the

recession, the poll found. Sixty percent in the telephone survey of 1,281 adults nationwide say it is time to give a Democrat a chance as president, but Republican strategists note that an idealized generic nominee is likely to fare far better in polls than an actual one.

Support for Mr. Bush continues to erode, with 43 percent saying they approve of his performance as president, an astonishing drop of 45 points since his popularity rating reached 88 percent, a historic peak, after the Gulf War.

Perhaps most tellingly, the public has even

lost confidence in Mr. Bush's handling of foreign policy, long his strong suit in the polls. In the latest survey, conducted Wednesday through Saturday, 46 percent approved of his conduct of foreign policy, while 46 percent disapproved. The poll had a margin of sampling error of plus or minus 3 percentage points.

While the poll outlines extraordinary opportunity for the Democrats, it is just that. The survey shows that less than a month

See POLL, Page 2

Rocket Down Copter In Azerbaijan, 40 Killed

MOSCOW (Reuters) — A civilian helicopter was downed by a rocket in Azerbaijan on Tuesday, killing about 40 people, Tass reported.

Quoting a senior Azerbaijani official in the disputed enclave of Nagorno-Karabakh, Tass said the helicopter was shot down while flying from the Azerbaijani town of Agdam to a town in Nagorno-Karabakh. "According to preliminary data, the helicopter was carrying about 40 people, including women and children. All passengers and crew members died," Tass quoted the official as saying.

Related article, Page 2

General News

A professor debunked Japanese government lies about 'comfort women.' Page 3.

Fashion

Claude Montana showed his Lanvin collection, and the president of the couture house said it will be his final one with the company. Page 5.

Business/Finance

Advertisers scored a big in the Super Bowl. Page 9.

Crossword Page 5.

Weather Page 2.



Ukrainian workers demonstrating outside parliament in Kiev on Tuesday as President Leonid Kravchuk asked for wider powers. Page 4.

Pentagon's Gulf War Chronicle Creates a Few Skirmishes of Its Own

By Barton Gellman Washington Post Service

WASHINGTON — The Defense Department's official history of the Gulf War has been delayed by interservice disputes over the way the war was fought and the meanings to be extracted from its outcome, Pentagon officials say.

The war is being refought in thousands of pages of memoranda circulating in three thick binders containing eight chapters and 20 appendices. The combatants are the army, air force, navy and Marines; the battles are over force, turf, prestige and money, in an era of declining military budgets.

and Marine language asserting that ground forces achieved "a great victory in 100 hours of combat." Air force officers ridiculed the army headline to the chapter on the ground campaign, taken from the author P.R. Feherbach. "Air power alone cannot defeat an enemy, Mr. Feherbach wrote, adding, 'You must do this the way the Roman legions did, by putting your young men in the mud.'"

"I mean, get a grip!" an air force officer said. "The Roman legions! The point is to save lives."

A superficially minor semantic question — whether to call the bombing of Iraq an "air operation" or an "air campaign" — sharply divided the army and the air force. In the parlance of U.S. military doctrine, a campaign is the main event in war and an operation merely serves the campaign.

An officer reflecting the views of the secretary of the air force, Donald B. Rice, "If only the theater commander can have a 'campaign' and everyone else is a 'supporting operation,' it means that air power is limited forever to its supporting role."

Similarly, the Marines objected to saying that the air force general in charge of the joint air campaign had "command" over Marine aircraft. The Marines preferred the term "coordinating authority," which prompted an air force officer to say that the Marines were "denying reality."

The report will be released in classified form to Congress and in an unclassified version to the public. Officers and civilians involved in its drafting said the final report, which missed a Jan. 15 deadline but went late last week to Defense Secretary Dick Cheney, will bear little trace of

the discord that produced it. Most major disputes, they said, will be sidestepped or softened.

"It looks like it was written by a committee, which it was," said an officer involved in its preparation.

Some officials, although acknowledging the interservice disputes, said their intensity had been exaggerated by some partisans.

Another dispute arose over whether radar jammers supported the F-117A Stealth fighter, which is supposed to be able to avoid radar detection on its own.

In an effort to bolster the fortunes of the B-2 Stealth bomber, the air force tried to give the impression that the F-117A was so nearly invisible to Iraqi detection that it required no escorts of fighter aircraft, radar jammers or anti-radar missiles.

But Pentagon analysts said the air force had not substantiated the claim that the Stealth planes needed no escort. In fact, the analysts said, air force planners brilliantly designed the campaign to provide indirect support for the F-117A.

Trade Accord In Bag, ASEAN Looks Abroad

By Michael Richardson International Herald Tribune

SINGAPORE — Leaders of the Association of Southeast Asian Nations signed a free trade agreement Tuesday that steers the region toward closer economic integration. It was intended to retain ASEAN's competitive economic edge and maximize its political influence as much larger regional markets emerge in Europe and America.

At the end of a two-day meeting, ASEAN heads of government also agreed to strengthen the group's institutions, including the Jakarta-based secretariat, and intensify cooperation in a wide range of other areas, including finance, agriculture, transport and communications.

They welcomed offers by their former Communist adversaries Vietnam and Laos, to accede to a treaty of friendship and cooperation drawn up by ASEAN in 1976 shortly after the end of the Vietnam War.

Officials said the two Indochinese states will very likely initiate the treaty in Manila in July when ASEAN foreign ministers hold their annual meeting.

It will mark a formal end to the Cold War division of Southeast Asia, laying the basis for the development of a regionwide network of market-oriented trade, investment and tourism.

See ASEAN, Page 4

WORLD BRIEFS

U.S. Jews to Shamir: You Can't Have It Both Ways on Loans

By Alan Cowell
New York Times Service
JERUSALEM — American Jewish leaders who recently toured Arab countries including Saudi Arabia, have stirred controversy among some Israelis by counseling Prime Minister Yitzhak Shamir that he cannot expect urgent housing-loan guarantees from Washington if he continues to settle Jews on occupied Arab land.



A Palestinian being arrested by Israeli police Tuesday after an attempted attack on Jewish women at the Western Wall in Jerusalem.

U.S. guarantees, which will make commercial loans easier and cheaper. The money is supposed to be used to build homes and expand Israel's job market to cope with the influx of hundreds of thousands of Jews from the former Soviet Union.

For West Bank Town, Curfew Is a Nightly Grind

By Clyde Haberman
New York Times Service
RAMALLAH, Israeli-Occupied West Bank — Living every night under military curfew, Saleh Abdel Jawad says, means that seemingly small decisions can sometimes loom large. "A few nights ago, my daughter was sick and needed to be looked at," said Mr. Abdel Jawad, who teaches political science at Bir Zeit University.

not surprising that Israel would take measures against Arabs who supported Iraq and were seen as a potential threat. This time, however, they say that they do not understand the security concerns invoked by Israel. From their vantage point, it amounts to collective punishment, an accusation of trying to frustrate them so completely that they leave the territories.

friends, thus deepening the isolation that was already considerable under the military occupation and the strikes imposed by the uprising. Mazen Assad, a marketing consultant, lives alone and says he uses the telephone more than ever, "to break the loneliness." Hussein Farah Tawed, a journalist, acknowledges that he is not as patient with his children as before.

6 Die in Fall Of Georgia Stronghold

POTI, Georgia — Georgian government forces seized one of the last strongholds loyal to Zviad K. Gamsakhurdia, the overthrown president, Tuesday after a day of fighting in which at least six people were killed. Government troops under the command of Jaba Ioseliani, head of one of the two main forces making up the ruling Military Council, met no resistance as they moved into the Black Sea town of Poti.

With War, Hunger Comes to Nagorno-Karabakh

By James Rupert
Washington Post Service
STEPANAKERT, Azerbaijan — Karen Dzhangirian stood in his frigid garage recently and pondered the dwindling stores of food that must get his family through the winter. Potatoes and onions still crowd shallow bins, but the rows of jars of vegetables canned last autumn by his wife are receding to the back of the shelf. And, in the bottom of a big pot, only about four kilograms (eight pounds) of flour is left.

in villages, but no fuel to bring it to Stepanakert. Facing Azerbaijani forces that are better armed and probably about four times the size of their own, people here hope desperately for intervention from outside — especially from Russia. Stepanakert residents regularly recall that Nagorno-Karabakh suffered casualties of 50 percent among the men it sent to defend Russia from Nazi Germany in World War II and that it produced four Soviet marshals and 22 Heroes of the Soviet Union.

ly shuttered and quiet. There is so little traffic that when a car or truck passes you can block the sound of its engine for blocks. With schools, factories and shops closed — and with frequent shelling and sniping attacks — most people stay home. One of the few social activities is hauling water. At the few wells or streams in the city, there are lines almost 24 hours a day.

As much as they can, Mr. Dzhangirian and his wife and mother try to protect their children from both danger and fear. The boys sleep in the bedroom with their parents, and when the rocket launchers boom at night, they wake and cry. Within a moment or two, Rosa Dzhangirian's voice, whispering in Armenian, floats out of the room. Soon, it is quiet again.

Algiers Seizes Another Front Leader

ALGIERS (AP) — Another leading Muslim fundamentalist official was arrested Tuesday as the government continued to exert pressure on the popular opposition movement. Rabah Kebir, the head of external relations for the Islamic Salvation Front, was arrested at the Front's headquarters in central Algiers, employees at the office said.

Kohl Ally to Be Thuringia Premier

BONN (Reuters) — Chancellor Helmut Kohl, moving to revamp his party organization in Eastern Germany ahead of elections in 1994, has picked an experienced western politician to replace the premier of the state of Thuringia. The state's Christian Democrats, unable to come up with a candidate untainted by ties to former East Germany's Communist rulers, voted Monday night to approve Bernhard Vogel, 59, as head of the Thuringia party. Mr. Vogel's older brother, Hans-Jochen, had been the leader of the opposition Social Democrats.

Cambodia Opposition Figure Is Shot

PHNOM PENH (AFP) — Cambodia's most prominent opposition figure, Oung Phn, was shot by attackers who drove by him Tuesday, doctors and family members said. Two bullets grazed his back and third lodged in his shoulder, doctors said. Mr. Oung Phn, a former transport and communications minister, who spent 17 months in prison for trying to form his own political party, was outside his home in the outskirts of the capital when he was attacked. Last week he said: "I am afraid to be thrown in prison again, or that they will try to shoot me or assassinate me. The Communists of this government have only changed their color." While he is outspoken against the government, he has long been friendly with Prime Minister Hun Sen, who called on him at the hospital Tuesday.

Security Council Reprimands Iraq

UNITED NATIONS, New York (AP) — The Security Council on Tuesday rebuked Iraq for allowing protesters to rough up and threaten U.S. weapons inspectors on their arrival in Baghdad on Monday. The council had met to consider keeping economic sanctions clamped on Iraq. Western and Iraqi diplomats agreed after the meeting that there would be no change for now in the sanctions.

Russia to Negotiate Vietnam Pullout

BANGKOK (AP) — A delegation from Russia will visit Vietnam by June to negotiate the pullout of all military personnel from the Cam Ranh Bay naval base and to talk about trade, a Russian official said Tuesday. Russia wants to bring home all troops stationed abroad, said Konstantin Baykov, spokesman for the Russian Embassy in Hanoi. He said that he did not have an official figure for the number of Russian military personnel still at Cam Ranh Bay, but that Russian media had reported that less than 500 personnel and dependents remained in Vietnam.

U.K. Faults Ferries' Safety Measures

LONDON (AFP) — British ferries operating to the Continent have not put into practice safety recommendations made after the 1987 ferry disaster at Zebrugghe, Belgium, in which 193 people died, according to a report issued Tuesday. An inspection of 14 ferries for the government's Department of Transport found the ships still had many of the safety faults that had hampered the rescue operations at Zebrugghe. The disaster at Zebrugghe happened after the ship left the port bound for Britain with its bow doors still partly open. The report said the defects in operating practice included "inaudible or inoperative announcements," "fire doors unmarked and unable to shift" and "insufficient life jackets at muster stations."

German Ruling Lets Women Work at Night

KARLSRUHE, Germany — Germany's highest court on Tuesday overturned a ban on overnight work for women dating back to Chancellor Otto von Bismarck's social restructuring of 1891. The Federal Constitutional Court ruled that the ban, which was set down in its present form in 1938, discriminated against women and was thus illegal.

Chinese TV Ownership Rises

BEIJING — Ownership of television sets, restricted to the privileged few a decade ago, is now exercised by more than 185 million Chinese, a communications ministry was quoted as saying. By 1990, TV services reached 79.5 percent of the population, up 50 percent from 10 years earlier, the China Daily said.

Serb in Croatia Deals UN Peace Plan a Setback

KARLOVAC, Croatia — A United Nations envoy said Tuesday that he had failed to persuade Milan Babic, a hard-line Serb leader in Croatia, to accept a UN plan to deploy up to 10,000 peacekeeping troops in Yugoslavia. The envoy, Marrack I. Goulding, went to Zagreb to meet with Croatian leaders after talks Monday with Mr. Babic, who heads the self-proclaimed Serbian republic of Krajina inside Croatia. His acceptance is vital if the UN plan is to help end fighting between Croatian militia and Serb irregular forces backed by the Yugoslav Army.

modest expectations about what a tax cut for the middle class could do for the economy. Asked what kind of effect a tax cut of \$400 or \$500 would have, 11 percent said it would have a major effect in ending the recession, 34 percent said the effect would be minor, and 49 percent said it would make no difference.

On abortion, 42 percent of the respondents said they thought a Democratic president would do a better job of dealing with the abortion issue, while 32 percent cited Mr. Bush. But perhaps most worrisome to Mr. Bush, 45 percent said a Democratic president would be most likely to end the recession, as against 32 percent who cited the incumbent.

As much as they can, Mr. Dzhangirian and his wife and mother try to protect their children from both danger and fear. The boys sleep in the bedroom with their parents, and when the rocket launchers boom at night, they wake and cry. Within a moment or two, Rosa Dzhangirian's voice, whispering in Armenian, floats out of the room. Soon, it is quiet again.

UNIVERSITY DEGREE
BACHELORS - MASTERS - DOCTORATE
For Work, Life and Academic Experience

DEATH NOTICE
JOHN DAVIS SKILTON
Fairfield, Conn., died in Bellefonte Hospital on Jan. 22, 1992. Born on Feb. 28, 1909, he graduated from Yale University with an M.A. in 1935 and joined the staff of the National Gallery of Art, Washington, D.C.

Table with financial data and forecasts for Europe, Asia, and other regions, including columns for Today, Tomorrow, and Low/High values.



Seoul to Fortify Its European Links As U.S. Withdraws

Compiled by Our Staff From Dispatches
SEOUL — South Korea will strengthen security ties with Europe as it reduces its reliance on the United States, according to a Defense Ministry plan published Tuesday.

The blueprint also envisions a buildup of South Korean air and naval forces and an expanded military role in Asia.

The new military outline is tied to Washington's intention to withdraw the 40,000 U.S. troops stationed in South Korea under a mutual security pact. In addition to American ground forces, South Korea depends heavily on U.S. aircraft and vessels.

In reporting the plan to President Roh Tae Woo, Defense Minister Choi Se Chang said the armed forces should be strengthened in preparation for the disbanding of a Korean-American troop command.

Mr. Choi said a Korean general would be appointed this year to direct ground forces of the Korea-

U.S. Combined Forces Command. Washington is scheduled to transfer its command to South Korea before the end of the year.

Details were not given, but the newspaper Dong-A Ilbo said the ministry's long-term proposal called for independent development of weapons such as fighter planes, missiles and submarines.

The paper said Japan and China would probably be the forces to watch after the reorganization of Korea.

In another development Tuesday, South Korea dampened hopes for an early meeting of North and South Korean leaders.

There has been speculation for several days that a meeting is imminent between Kim Il Sung of the North and Mr. Roh.

Some newspapers have even advanced possible timetables and venues, but the government said the reports were premature.

"This is not the time to discuss the timing or place for such a summit conference," the government said. (AP, Reuters)

AMERICAN TOPICS

Bombproofing Airliners: 2 Ways to Take the Punch

Two new techniques under development for making airliners bombproof are to make the luggage container absorb the force of an explosion, or to focus the force of the blast on a narrow outward path that makes only a relatively small hole in the fuselage.

"Currently," the New York Times notes, "airports' devices can generally detect explosives weighing about three pounds or more," about 1.5 kilograms. "A search of personal belongings is

geared to catch anything that weighs less. But as shown in the Pan Am Lockerbie case and several others, this method is not infallible." The bomb on the Pan Am plane, which detonated over Scotland, killed 270 people in 1988.

One new technique is to line the luggage container with a half-inch-thick (1.3-centimeter) blanket of high-strength nylon, glass or Kevlar fibers, plus fire-extinguishing chemicals, to contain the blast and put out any flames. The other is to direct the force of the rapidly expanding gas in an explosion so that it cuts a hole in the side of the plane, allowing the pressurized gas to be vented outside. Both techniques have been tested on scale models.

Len Filippa, spokesman for SRI International of Menlo Park, California, which is developing bomb-resistant luggage containers, said, "If the airports can

detect over three pounds of explosives and we can contain under three pounds, we're looking at bombproof skies."

Short Takes

U.S. prisons are getting tough with inmates who refuse to work. In New York state, they are locked in their cells for 23 hours a day and have trouble getting early parole. The harsh new approach has raised concerns among civil rights groups. But New York officials say that having inmates work helps defray the \$25,000-a-year cost of imprisonment, gives them a better chance to find jobs when they get out and counters the notion that prisoners spend their time lying on their backs watching television.

The first hurdle for the campaign of Paul E. Tsongas for the Democratic presidential nomination is to tell the voters

how he pronounces his name. It's "SONG-gus" with a silent T. His new campaign button reads "Citizens for Tsongas."

Hollywood is taking the Golden Globes awards ever more seriously as procurers of the Academy Awards. It was not always thus. The Golden Globes, half a century old, are given by the Hollywood Foreign Press Association. They have been tainted by some unfortunate incidents. The New York Times notes, including a 1981 award to the singer-actress Pia Zadora after her husband, the financier Meshulam Riklis, had flown the 85-member group to Las Vegas for a few days of fun and games at his expense. In recent years, however, the globe awards have reliably foreshadowed how the motion picture academy's own Oscars are going to go. Last year, for example, "Dances With Wolves" swept both contests.

The largest-denomination U.S. currency is the \$100,000 bill. The Washington Post reports, but it is used only in transactions between the Treasury Department and the Federal Reserve. Bills of \$10,000 still exist, but have not been printed since 1944. No \$5,000, \$1,000 or \$500 bills have been printed since 1969. The \$100 bill, with a portrait of Benjamin Franklin, is the largest now being issued.

Brenda Rains says her office has been getting calls for about six months from people wanting tickets to the Winter Olympics in Albertville, France. Ms. Rains works at the Chamber of Commerce in Albertville, Alabama. The two towns are sister cities. The French Albertville gets snow about 50 days a year. The Alabama Albertville gets snow about once a year.

Arthur Higbee

Most Not Wed to Clinton Fidelity Issue

The Associated Press
WASHINGTON — Most Americans do not believe that the Democratic presidential contender Bill Clinton's marital fidelity should be an issue in the campaign and want news organizations to drop the matter, according to an ABC News poll.

Eighty percent of 790 adults in the nationwide random survey believed that Mr. Clinton should remain in the race whether or not he had an extramarital affair.

Mr. Clinton denies having had an affair with Gennifer Flowers, a singer and Arkansas state employee. He did so again Sunday on television. Ms. Flowers said in a paid interview with the Star tabloid that Mr. Clinton was her lover for 12 years.

The ABC poll, taken Monday, did find evidence that if the claims of marital infidelity were proved, Mr. Clinton's chances in the race could be hurt. Twenty-six percent said they could not vote for a candidate who had

had an extramarital affair. On the other hand, 73 percent agreed with Mr. Clinton that his faithfulness to his wife is a personal issue.

Separately, a poll conducted for a New Hampshire television station showed Mr. Clinton widening his lead in that state.

A University of New Hampshire phone poll done for WMUR-TV in Manchester, New Hampshire, on Monday had Mr. Clinton at 30 percent, up from 24 percent from two and a half weeks ago.

Opposition Demands That Miyazawa Explain His Role in Scandals

TOKYO — The leader of the main opposition party demanded in parliament Tuesday that Prime Minister Kiichi Miyazawa explain his role in Japan's newest political scandal and clarify an old one.

The opposition leader, Makoto Tanabe of the Social Democratic Party, appeared ready to paralyze the legislature with questions about corruption in Mr. Miyazawa's Liberal Democratic Party, which has run the government since parliamentary democracy was established after the war.

Mr. Tanabe then charged Mr. Abe "made Kyowa offer \$400,000 to let Miyazawa be prime minister."

The 69-year-old Mr. Abe vacated his post as secretary-general of Mr. Miyazawa's faction in the Liberal Democratic Party and as a party member. Despite the urgings of several party leaders, he has held on to his seat in parliament, maintaining he is innocent of the charges.

Revising the Recruit affair, Mr. Tanabe said, "Prime Minister, you had better clarify your involvement." He referred to documents submitted at the end of the last parliamentary session in December, raising doubts about the veracity of Mr. Miyazawa's earlier testimony in which he denied any knowledge of the transactions.

(UPI, Reuters)

Deng Urges Changes, In a Hurry

Political analysts forecast that the debate would quickly bog down on the scandals dogging Mr. Miyazawa and the Liberal Democratic Party.

Mr. Miyazawa was forced to resign in 1988 as deputy prime minister and finance minister in connection with the stocks-for-favors affair surrounding the Recruit Co., a giant information conglomerate.

Mr. Abe, elected seven times to the lower house, was arrested Jan. 13 on suspicion of accepting \$634,000 in bribes from the Kyowa Corp., a now bankrupt steel company that got involved in property development.

Compiled by Our Staff From Dispatches
HONG KONG — Deng Xiaoping, the Chinese leader, has warned the Communist establishment to speed change to a market economy or be swept aside, according to a published report on Tuesday.

Mr. Miyazawa has denied press reports that part of the funds Mr. Abe received went to his drive for the party presidency and the prime minister's post.

Directing his remarks to Mr. Miyazawa, Mr. Tanabe said, "Abe, who used to work under you and who had an important position in your faction, took advantage of the position and received dirty money."

In his strongest statement in years in support of economic change, Mr. Deng also urged managers to take the best from capitalism.

"If capitalism has something good, then socialism should bring it over and use it," Mr. Deng was quoted as saying by Ta Kung Pao, a newspaper used by Beijing to convey its views here.

"Reform is China's only way out," the newspaper quoted Mr. Deng as saying. "If you don't reform it's a dead-end street. Whoever refuses to reform will have to leave the stage."

Mr. Deng made his remarks during a visit last week to the Shenzhen special economic zone, a showcase of the economic changes that he launched in the late 1970s.

Shenzhen has been an outstanding success, growing from a village to a sprawling industrial city over the past decade. Hong Kong manufacturers escaping high labor and land costs have moved production there, pushing living standards far above the average for China.

"Shenzhen's development and experience showed that our special economic zone policy is right," said Mr. Deng. "You must speed things up."

Mr. Miyazawa was forced to resign in 1988 as deputy prime minister and finance minister in connection with the stocks-for-favors affair surrounding the Recruit Co., a giant information conglomerate.

Mr. Abe, elected seven times to the lower house, was arrested Jan. 13 on suspicion of accepting \$634,000 in bribes from the Kyowa Corp., a now bankrupt steel company that got involved in property development.

Mr. Miyazawa has denied press reports that part of the funds Mr. Abe received went to his drive for the party presidency and the prime minister's post.

Directing his remarks to Mr. Miyazawa, Mr. Tanabe said, "Abe, who used to work under you and who had an important position in your faction, took advantage of the position and received dirty money."

Hong Kong-based analysts say the 87-year-old leader appears to be trying to cement his economic changes despite the political clampdown since China crushed the 1989 democracy movement.

(AP, Reuters)

Flood Gone, Suffering Lingers

2 Million in Central China Face Winter in Crude Shelters

By Nicholas D. Kristof
New York Times Service
BEIJING — Half a year after a flood devastated parts of central China, at least 2 million people still shiver in crude temporary shelters and may not be able to rebuild their lives for years to come.

The flood victims are now enduring the coldest winter in years, without heat or enough blankets, and they are likely to depend on government handouts of rice for many months more.

Foreign relief experts who have been allowed to visit the area say the peasants have replanted their fields but expect a poor harvest because the area is in the grip of a drought that followed the floods.

The waters have receded, and millions of peasants are no longer huddled on dikes and other high ground.

But since returning to villages that have been their home for hundreds of generations, many of them no longer have farm animals, tools, homes or much hope of improvement.

"The landscape in some areas is still as if it were bombed out," said Luc Nicolas, the China coordinator of the Belgian chapter of Doctors Without Borders. The group has been providing assistance since July to flood victims in Anhui Province, one of China's poorest and also the worst hit by last year's flooding.

"People have moved back to their home villages, but in some cases the villages have almost disappeared," Mr. Nicolas said.

"So they build shelters on the site of the original villages. It's very cold and there's been snow, but they've been trying to plant their fields again."

While some 220 million Chinese — one-fifth of the population — were affected by the floods, they got relatively little attention in the West because China restricted access to the hardest-hit areas.

Anhui Province, with a population of 56 million, still refuses to admit foreign journalists.

By Chinese law, foreign journalists are barred from traveling without permission, and officials in Anhui will not say when they may grant permission.

Chinese officials seem torn: They desperately need foreign assistance for the flood victims, but are reluctant to admit publicly that conditions are that bad or that they need assistance.

In the official press, the floods are mentioned primarily as a propaganda tool. The newspapers carry articles saying the Communist Party is providing grain, clothing and housing for the victims — thus proving the superiority of communism.

"In the struggle against the floods, Anhui witnessed courageous sacrifice and selfless contribution from heroic people who left a record that inspires tears of sadness and odes of praise," People's Daily said in a recent front-page article.

"This provides vivid teaching material for the rural socialist education activities now under way."

The 1991 flood, in which about 3,000 people died, was probably the worst since one in 1954 that left at least 34,000 dead. Relief experts give the government credit for mobilizing assistance and preventing the starvation and sickness that historically in China often killed more flood victims than drowning.

"There's no starvation and no epidemics," said Merete Johansson, a senior program officer at the United Nations Development Program in Beijing. "But income levels are very low, and some people have no source of income at all."

Ms. Johansson, who is working on a Development Program project in Anhui, cites local government figures showing that the flood victims have gone from a per-capita income equivalent to \$74 a year in normal times to about \$20 a year since being displaced by the Hsai River last summer.

Experts invited to assess the disaster have advised the UN program that it may be three or four years before Anhui can return to normal.

About 20,000 schools were damaged in the flooding, and even now many children can attend classes only part-time, in makeshift schoolhouses.

Small village factories, which offered some hope for peasants to escape subsistence farming, were largely destroyed.

Foreign aid has totaled about \$150 million, primarily from Hong Kong, but it has slowed and is far short of what is needed in the 18 provinces that suffered flood damage.



THREE'S COINS IN THE FOUNTAIN — Zhu Lin, center, the wife of Prime Minister Li Peng of China, throwing coins in the Trevi Fountain in Rome with two unidentified women Tuesday. Mr. Li ended two days of talks in Italy and the couple headed to Switzerland for a day.

Of Sex and Lies: Japanese Teacher Debunks 'Comfort Women' Myths

By David E. Sanger
New York Times Service
WAKO, Japan — When Japan's television networks recently began broadcasting the accounts of Korean women and girls who were kidnapped and forced to serve in battlefield brothels for the Imperial Army, even Japanese who prefer never to think about World War II said they felt shamed by the years of agony the women endured.

But the Japanese government had the same ready answer it has had for decades: A few words of sympathy for the tens of thousands of victims whose lives were shattered, and a curt dismissal of their demands for government compensation.

The brothels, Japan's Foreign Ministry said, were run by private entrepreneurs, not the government.

No one in the Foreign Ministry, though, was ready for Yoshiaki Yoshimi

Mr. Yoshimi, a history professor with a striking mane of white hair and a knack for coming up with historical documents that Japan would prefer to keep buried, listened to the government's assertions on television in his cramped apartment here last month and knew immediately that the government was rewriting history.

"I was outraged," he said the other day. "And I knew that clear evidence existed that would force the government to acknowledge its responsibility."

Over the last three weeks, with a keen research eye and an impeccable sense of timing, Mr. Yoshimi singlehandedly debunked the myth that the Japanese government had not organized and run the brothels. He created a sensation in Tokyo and Seoul and forced Prime Minister Kiichi Miyazawa to issue a formal apology to the Korean people.

Last week, reversing decades of flat refusals, Mr. Miyazawa conceded that the

government would have to find some way of redressing the women's grievances, though he stopped short of promising financial reparations to what Japan euphemistically calls the "comfort women."

In any country it is rare for one citizen to force a government to reverse its course, but it is particularly rare in Japan, where the social pressures not to challenge the status quo are so overwhelming.

War atrocities are a particular taboo: When construction workers in Tokyo two years ago came across the suspected remains of prisoners of war who were the subjects of cruel medical experiments, no Japanese forensic expert would get near them. Everyone in Japan understands why.

"I have lived here all my life, and I know that Japan only talks about half of its history," Mr. Yoshimi said. "The half where Japan is victimized."

It is widely believed that Japan started

building "comfort stations" in the mid-1930s, and 100,000 to 200,000 women were eventually lured or dragged to Japanese battlefronts across Asia. Most were children and teenagers from Korea, a Japanese colony from 1910 to 1945, but many others came from China and a few from Japan itself.

The women were forced to have sex with soldiers, who were often rotated through the "comfort stations" at 15-minute intervals.

With news organizations focused on the 50th anniversary of Pearl Harbor, however, a few of the surviving Korean "comfort women" decided the moment was ripe to press their case.

Three came to Tokyo in December to file a suit for damages against the Japanese government, prompting the government's chief spokesman, Koichi Kato, to reiterate that Japan considered all of its war reparations to South Korea paid, and

to deny that the army had organized or run the brothels.

Apart from the "comfort women" themselves, no one seemed ready to dispute that reading of history; documents referring to the matter were presumed destroyed in the giant bonfire the Japanese military lit at the end of the war.

As he watched on television, Mr. Yoshimi recalled that a few years ago, combing through the Self-Defense Agency's library to research Japan's use of poison gas during the war, he had tripped across a military order to set up a brothel.

The detail had intrigued him: Born just after the war, he has spent his professional life trying to get a glimpse of it.

Certain that more documents existed that would disprove the government, Mr. Yoshimi returned to the library over Mr. New Year's holiday. In two days of searching, he came up with a small trove,

including one document titled "Regarding the Recruitment of Women for Military Brothels."

It ordered the quick construction of "facilities for sexual comfort," to stop the troops occupying China from raping women. It bears the *hanko*, or personal stamps, of leaders of the high command of the army.

"I'm an outsider and this was easy research," Mr. Yoshimi said. "Inside the library are researchers who must have known these documents exist."

Mr. Yoshimi handed the documents to a reporter at the Asahi Shimbun, one of Japan's largest dailies, just before Mr. Miyazawa traveled to South Korea for a meeting with President Roh Tae Woo.

Almost overnight, the government's arguments collapsed. "What I found," Mr. Yoshimi said, "was just the final blow to a weakening government position."

Business today means getting round Europe, fast and efficiently. Which is why KLM is starting a full-scale operation to offer executives the very best in air travel.

"More routes. More flights. Less transfer time."

"KLM is uniting Europe."

Business today means getting round Europe, fast and efficiently. Which is why KLM is starting a full-scale operation to offer executives the very best in air travel.

More flights.
 Just look at the objectives: To increase flights between 67 European destinations and Amsterdam Airport Schiphol by up to 40% in the coming years. And to increase frequencies between 83 inter-continental destinations and Amsterdam by 30%.

Faster, convenient transfers.
 To provide even more convenient arrival and departure times, thus slashing waiting times at Amsterdam for an increased number of on-going flights throughout the business world.

Extending your business day.
 To provide convenient services at the very start and very end of the business day to and from all major European business centres.

And to offer the sort of product innovation which you can expect from the airline which is constantly improving to meet your ever-increasing expectations. Test us, try us, fly us.

The Reliable Airline **KLM**
 Royal Dutch Airlines

Libya Offer To Nuclear Scientists Is Reported

By Marc Fisher
Washington Post Service

BERLIN — While the Libyan leader, Colonel Muammar Gaddafi, tries to persuade Western nations that his country is no longer a nuclear power, a German report said Tuesday that Libyan diplomats had offered Moscow scientists generous bounties to work as nuclear macrochemists.

The German weekly Stern reported that Libyan officials approached at least two nuclear experts at Moscow's Kurchatov Institute for Atomic Research in December, offering them \$100,000 a year to work on a project near the Libyan city of Sirte.

The Russian scientists spurned the offer and reported it to an institute manager, Stern said. The magazine said it could not determine whether other scientists at the institute took the offer.

According to a report earlier this month, a Russian scientist at the institute said two of his colleagues had rejected an offer of \$24,000-a-year job.

The Stern report comes as Libya has mounted a public effort to improve its image in Western countries. Libyan diplomats have said they wanted good relations with the United States, and Colonel Gaddafi said in a recent London newspaper interview that his country was ready "to renounce international terrorism."

Stern also said that one of its reporters posing in the former Soviet republic of Tajikistan with connections to the nuclear industry was offered three kilograms (seven pounds) of enriched uranium-235, an amount it said was sufficient to build an atomic bomb.

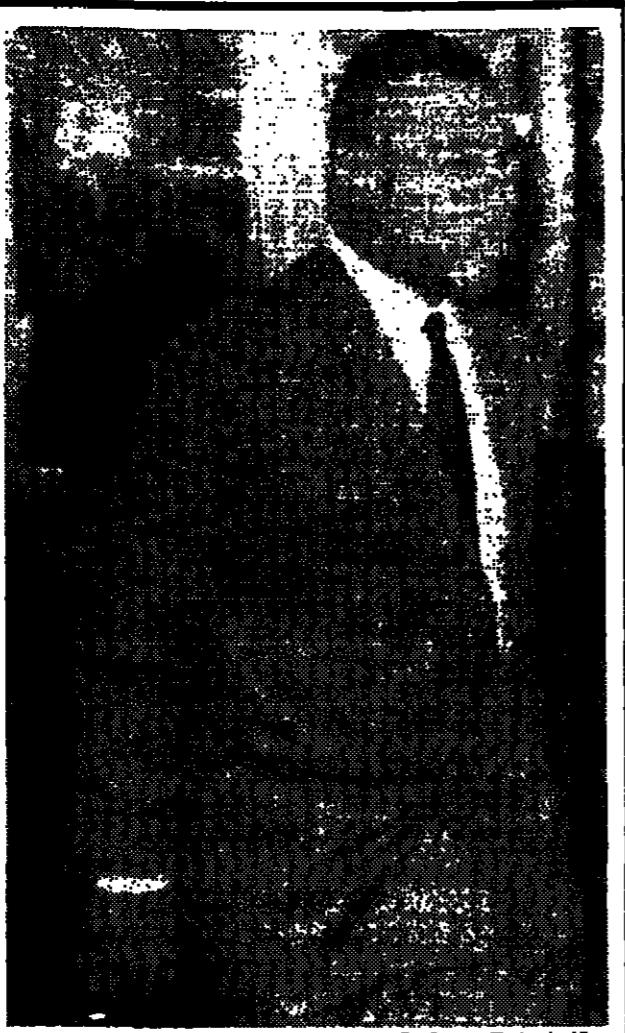
The magazine said its reporter was offered uranium that he was told came from a reprocessing plant in Tabosbar, about 400 kilometers (250 miles) from the capital.

Libyan Offer on Suspects

Libya said Tuesday that it was ready to hand over two suspects in the 1988 bombing of a Pan Am jet to an international commission, Reuters reported from Ankara.

"If an independent and unbiased international commission is formed, we can hand over the two accused Libyans to this commission," said Abdel Salam Jalloud, a Gaddafi deputy.

The United Nations Security Council ordered Tripoli this month to hand over the two men to the United States or Great Britain.



Mike Tyson as he entered court Tuesday in Indianapolis.

Tyson Jury Selection: Standards of Conduct

INDIANAPOLIS — Prosecutors and defense lawyers in the trial of Mike Tyson clashed Tuesday as they tried to elicit potential jurors' feelings about rape — whether a woman might "ask for it" or might lie about it.

Four jurors were seated, bringing the total to nine. Five are white men, along with two black men and two white women. Seventeen people have been excused.

Sixteen jurors are expected to be impaneled, with 12 deciding Mr. Tyson's guilt or innocence on charges of attacking an 18-year-old Miss Black America contestant at a hotel here last July 19. The other four would serve as alternates.

Mr. Tyson, 25, has been accused of rape, criminal deviate conduct and confinement. If convicted, the former world heavyweight boxing champion could be sentenced to 63 years in prison.

"Do you think someone could make a false accusation of rape?" a defense attorney, Kathleen L. Beggs, asked a prospective juror. Prosecution objections that the question was "fact-sensitive" to the case prevented an answer.

Defense attorneys resumed the objections later when J. Gregory Garrison, the head prosecutor, tried to ask about whether bad judgment by victims justified the crimes committed against them. "Some people ask for it — and get what they ask for?" Mr. Garrison asked a potential juror. "Sometimes," replied the man, who was released from the jury pool.

Mr. Tyson's accuser told police she met him at a pagant rehearsal and went with him to his hotel room, where in the predawn hours of July 19 he raped her. The boxer says his accuser consented to sex. (AP, UPJ)

Ukrainian Asks Wider Powers on Economy

Reuters

KIEV — President Leonid M. Kravchuk asked the Ukrainian parliament Tuesday for sweeping executive powers to help him push through rapid economic changes.

"The foundation of our state is taking place in difficult times," Mr. Kravchuk said at the parliament's opening session.

"People are losing faith in our ability to improve the situation," he said. "The policy of putting off economic reform has reached the limit of the reasonable."

Mr. Kravchuk said he had faith in Ukraine's unpopular prime minister, Vitold F. Fokin, who has been criticized for excessive caution in beginning a program of privatization to speed the transition to a market economy.

But the president said he was seeking wider powers to enable him to form a new government after consulting other parties.

Mr. Kravchuk, who was elected Ukraine's president on Dec. 1, attacked the "imperialist thinking" that he said had caused growing tension with Russia.

He blamed news organizations for whipping up a dispute over Ukraine's claim to the Black Sea Fleet and a Russian move to take back the Crimean Peninsula it gave to Ukraine in 1954.

Mr. Kravchuk denied accusations by Russia that Ukraine was straying from agreements signed by 11 former Soviet republics when they set up the new Commonwealth of Independent States.

Commonwealth military officials originally hoped to set up a unified armed force.

3,000 Burmese Flee to Thailand

United Press International

BAN MAE SOT, Thailand — Burmese troops captured a division headquarters of the ethnic Karen insurgent group and more than a dozen villages in accelerated fighting near the border, driving about 3,000 refugees into Thailand, Thai and Karen officials said Tuesday.

The Karen Relief Committee said that refugees crossed the border at points in the areas of Ban Mae Sot, Ban Tha Song Yang, Umphang and Ban Mae Sarieng, about 485 kilometers (300 miles) northwest of Bangkok, bringing the refugee total to more than 40,000.

ASEAN: Free-Trade Accord in the Bag, Southeast Asians Look Abroad

(Continued from page 1)

The expansion of trade and economic ties with Indochina "will serve to strengthen the fabric of peace and stability in Southeast Asia," he added.

ASEAN links Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

As part of an effort to shape a new regional security order as the U.S. military presence in the Pacific is gradually reduced, the heads of government also decided Tuesday to extend ASEAN cooperation in security matters.

With rich resources and relatively low labor costs, countries in the group have attracted a wave of investment from Japan, North America, Europe, Australia and newly industrialized nations of East Asia in the last decade.

In recent years, ASEAN has outperformed all other regions in economic growth and been courted by the United States, Japan and the EC as a model association of non-Communist states.

But with the collapse of the Soviet Union, the Cambodian conflict winding down and Vietnam concentrating on economic change, ASEAN's value as a Cold War friend of the West has sharply diminished.

Instead, the group is being challenged where its performance has been weakest: economic integration.

Goh Chok Tong, Singapore's prime minister, said that by following through swiftly with the

regional free-trade plan, "we will convince both domestic and foreign investors that ASEAN is a serious player in the new world order."

Previous attempts to break down national barriers and encourage trade and investment to flow more freely within ASEAN have run up against bureaucracy and vested economic interests.

On Tuesday, leaders of the group signaled their determination to prevent this from happening again by announcing that the plan to create a regional free-trade area in manufacturing, capital goods and processed agricultural products will be supervised by a ministerial-level council.

Under the plan, tariffs are to be lowered to a maximum of 5 percent by 2008. But the heads of government agreed at the last moment that if some countries wanted to move at a faster rate, they could do so.

Thailand, which has the highest average tariff in ASEAN, announced Tuesday that it would lower import duties to 20 percent by January 1994, well ahead of schedule.

In the past, Indonesia was the most reluctant of the ASEAN nations to lower protectionist barriers. It has by far the largest domestic market and until recently felt that its industries could not compete with those in some other ASEAN countries.

Under the impact of a deregulation program designed to make Indonesian industry more

efficient, that has changed. Hartono, Indonesia's industry minister, said his country was now confident that its manufactured and capital goods were internationally competitive.

Ali Alatas, Indonesia's foreign minister, said that although a 15-year target has been set for creating an ASEAN free-trade area, it could probably be brought about more quickly.

The imminent creation of a single EC market, negotiations to form a North American free-trade zone, and the spread of market-oriented economic changes in Eastern Europe, India and Latin America "made us realize that we have to move fast or we will be pushed aside as others pass us by," Mr. Alatas said.

ASEAN had a total population of more than 335 million and a combined gross national product of \$310 billion in 1991.

By contrast, the single EC market when it is established at the end of this year will have more than 350 million consumers with a combined GNP of more than \$4.37 trillion.

The North American Free Trade Agreement being negotiated between the United States, Canada and Mexico, will have a consumer base of 360 million and a combined GNP of about \$6 trillion.

The ASEAN free-trade area "is a first step, a very big one, towards integration of our economies," said Jusuf Wanandi, chairman of the supervisory board of Indonesia's Center for Strategic and International Studies.

TALKS: Palestinians Boycott Over Eligibility Issue

(Continued from page 1)

to be here Tuesday — Algeria and Yemen — did not appear. Although their absence was not officially explained, Arab delegates said they had stayed away in solidarity with the Palestinians.

At issue is whether the Palestinians, who are supposed to be part of a joint delegation with Jordan, must all be residents of the Israeli-occupied West Bank and Gaza Strip or whether the contingent also could include Palestinians from East Jerusalem or from other countries.

The United States and Russia had declared in advance that Palestinian representation should follow rules adopted in October at the conference in Madrid that began the peace talks. At Madrid, it was decided that in bilateral negotiations with Israel on interim self-government arrangements for the West Bank and Gaza, the Palestinian members of the joint delegation all had to be from the territories.

That was done at the insistence of Israel, which fears that broadening the base of Palestinian participation would allow the Palestine Liberation Organization to enter the peace process.

However, the Palestinians contend that these arguments are not applicable to the multilateral talks, which are intended to bring Middle East states not negotiating directly with Israel and other interested countries together to seek solutions

problems affecting the region as a whole.

The Palestinians, noting that one of the issues to be dealt with in the multilateral talks is the plight of refugees in the Middle East, point out that most of the region's refugees are Palestinians. They argue that it is a travesty to try to deal with this problem without representation from the entire Palestinian population.

The other topics with which the multilateral talks are expected to deal involve regional economic development, environmental protection, sharing of scarce water resources and arms control.

All of these issues, Mrs. Ashrawi said, affect the lives of Palestinians outside the occupied territories. She said their interests should not be ignored because of Israeli efforts to limit Palestinian participation.

Israel is especially interested in this third stage of the peace process because it is supposed to bring them to the bargaining table for the first time with such longtime Arab adversaries as Saudi Arabia, the smaller Gulf sheikdoms and Arab countries of North Africa.

ARREST: Rightist Threat

(Continued from page 1)

part of a de Klerk plan to split the right and defuse the threat to his policies.

The president in Cape Town, said that the police were "applying the laws of the land without political bias."

Mr. Terre'Blanche, 51, has repeatedly said his group will resort to violence to prevent a black government's coming to power.

The 10 detainees appeared briefly in court in Ventersdorp, 100 kilometers (60 miles) west of Johannesburg. They were not asked to plead before being released on bail. A March 9 court date was set.

The arrests suggested the government was now willing to take a firm stance against extreme rightist elements.

Many anti-apartheid groups have accused Mr. de Klerk and the police of going easy on rightists, of tolerating their threats and periodic outbreaks of violence.

Other rightist groups have taken responsibility for several bombings in recent months that have damaged public schools and post offices. Several rightists have been arrested recently in connection with the bombings.

Many observers think bombings are likely to increase if Mr. de Klerk tries to make good on his promise to end apartheid and share power with the country's 30 million blacks. (AP, Reuters)

YELTSIN: Russian Leader Back

(Continued from page 1)

provision it by sea and air, using Russian ports for the purpose. Implicit in the statement was that the Black Sea Fleet would not be left to the mercy of Ukraine.

Although the debate over the fleet has been simmering all month, it was still unclear why Mr. Yeltsin suddenly felt it necessary to visit the Black Sea. His abrupt cancellation of a meeting with Foreign Minister Michio Watanabe of Japan, and his departure from Moscow just as the Middle East peace conference was getting under way, caused considerable agitation in the capital.

Mr. Watanabe was invited to meet Mr. Yeltsin on Wednesday, when the Russian president also is expected to meet with the U.S. sec-

retary of state, James A. Baker 3d, who is in Moscow for the Middle East talks.

Both Mr. Voshchanov and Admiral Kasatonov indicated that the Black Sea meeting dealt with issues that could be raised on Mr. Yeltsin's trip to Britain, the United States and Canada. Perhaps Mr. Yeltsin thought that such a meeting with the senior leadership of the navy would help persuade Western governments that he was in full control.

Mr. Yeltsin is "fine," Aide Says

Mr. Voshchanov, Mr. Yeltsin's spokesman, said Tuesday that the Russian president was "alive, healthy and feeling fine," and denied that Mr. Yeltsin, 60, had an alcohol-abuse problem. The Associated Press reported from Moscow.

Get Rich in America's Greatest Lottery

Millions of U.S. Dollars are won regularly playing the World Famous Florida Lottery. In fact, the Florida Lottery has AWARDED MILLIONS OF DOLLARS to people who have won — including its biggest jackpot of U.S. \$100,000,000. Imagine all the things you could do and enjoy with \$100,000,000. People from all over the world go to Florida just to play the Lottery. Now, you too can play the World's Greatest Lottery and win a MULTI-MILLION DOLLAR JACKPOT.

WIN \$100,000,000

Playing Lotto 6/49 Is Easy That's One Hundred Million U.S. Dollars!

Lotto is the World's most popular form of lottery. The Official Florida version is called Lotto 6/49 and is FULLY BACKED BY THE GOVERNMENT. Each week one draw is held in public — under strict supervision in Florida. Lotto 6/49 is easy to play. You pick your own numbers by selecting any 6 of 49 possible numbers from 1 to 49. It's that simple. The numbers you select are entered in the Lotto 6/49 Computer System and if they match the same numbers in the draw — YOU WIN THE JACKPOT. Even if you didn't select all six numbers, you could still be a winner! If you have only 3, 4, or 5 numbers correct, you win one of the thousands of other prizes.

Here's How You Can Play Florida Lotto 6/49

All you have to do to play the World Famous Florida Lottery is to complete the subscription form and send it to United States International Marketing's world wide processing center, along with your payment. You can play 2, 4, 6, 8 or 10 games for 15, 26, or 52 weeks. REMEMBER, EACH ADDITIONAL WEEKLY

United States International Marketing, Ltd.
P.O. Box 7525
1118 ZG Schiphol Centrum
The Netherlands

For Faster Service
Fax Your Credit Card Orders Directly to the USA
*USA FAX 1-301-913-9192

CIRCLE SIX NUMBERS FROM 1-49 IN EACH GAME YOU WISH TO PLAY

GAME 1	GAME 2	GAME 3	GAME 4	GAME 5
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49
GAME 6	GAME 7	GAME 8	GAME 9	GAME 10
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49

Subscribe NOW! For Faster Service
Fax your credit card orders direct to the USA.
USA FAX: 1-301-913-9192

PICK YOUR PLAN — Check only one box below next to the option of your choice. ALL PRICES IN U.S. FUNDS

FREE BONUS	INCLUDES 1 WEEK FREE	INCLUDES 2 WEEKS FREE
EACH WEEK		
2 Games	\$135	\$ 250
4 Games	\$270	\$ 450
6 Games	\$405	\$ 675
8 Games	\$540	\$ 900
10 Games	\$675	\$1125

On all Credit Card payments a handling fee of \$19 will be added.

VALID ONLY WHERE LEGAL
United States International Marketing is a private company not affiliated with any Agency of Government. The proceeds from these sales include handling and trustee service fees.

Mail to: United States International Marketing, Ltd.
P.O. Box 7525
1118 ZG Schiphol Centrum
The Netherlands

FX 012992

Join Us...!!

Write a letter to a U.N. Member and help eliminate the suffering and torture of Kuwaiti Prisoners of War and their families.

Until the end of last year, there were more than 1000 Prisoners of War still detained in Iraq. Your participation will help.

We need you to write a letter to one of the permanent members of the Security Council (USA, Russia, China, France & United Kingdom), asking them to increase their efforts in enforcing the United Nations Resolutions 686 & 687 along with the Geneva Conventions for the release of all Prisoners of War.

Join our Campaign and be part of those who make a difference in this world.

KUWAITI ASSOCIATION TO DEFEND WAR VICTIMS
الجمعية الكويتية للدفاع عن ضحايا الحرب

TEL : (965) 5628397 - 5629708
Fax : (965) 5332233
Address : P.O. Box 2211 - Salmiyah 22023 Kuwait

A Human Rights Organization

Stan Getz: The Last Gem

'People Time' Sums Up His Half-Century Career

By Mike Zwerin International Herald Tribune

PARIS—Toward the end of his life, after several major surgeries, Stan Getz made two quartet albums...

out but at the same time they were also copying certain heroes' bad personal habits...

Physically, artistically and commercially, Getz outlasted them all. He was a natural. His franchise sound became like Miles Davis's...

More than summing up a half-century career, it's like beginning a new one...

When my friends and I began to learn jazz in the late '40s, wise advisers counseled that if we had to copy anybody make sure they don't play your instrument...

For me, playing trombone, it was easy. My hero Lester Young was a tenorman. I worshiped his lightness of being...

THE schmaltz in the mix was a kind of character flaw. A weird form of aggression. Was he hiding something?

How was this possible? The beauty was evident. Maybe he chose to repress it out of pure ornateness...



Getz: His last performance is one of his best.

PARIS FASHION

Lanvin: Montana Is Out, Chanel: Fashion Heaven

By Suzy Menkes International Herald Tribune

PARIS—Claude Montana showed his last collection for Lanvin Tuesday. We do not wish to continue with Montana for haute couture...



Montana's organza sweater and satin pants, for Lanvin.

Pietrini has signed Dominique Morlot, former menswear designer for Dior...

My one wish is for Lanvin to have a coherent image, Pietrini said. I do not wish to discuss our figures for the last year...

The show Tuesday was pure, beautiful, perhaps more accessible than in previous seasons...

Colors were either fresh—blue, pink and white—or they were plain navy and black.

For this was fashion both to dare and to wear. The jackets, cut so close to the body...

Montana has been on his mountain ledge before, sending out icicle embroideries and glacial colors...

Head in the clouds, said Karl Lagerfeld of his Chanel show, where hats were as puffy and platform shoes as high as the clouds...

is a gay fantasia. Miller offers us a tight-structured Ibsenite family drama.

That is precisely what the hero of Miller's play, Joe Keller, has done. Having sanctioned the sale of faulty cylinder heads...

Staged in the round, Thacker's production proves that Miller's message is as timely as ever.

After this Tina Howe's "Painting Churches" at the Playhouse comes across as a peculiarly limp retreat into domestic coziness.

The film, about a Jewish youth's surviving the Holocaust, was written and directed by Agnieszka Holland.

American Angels With Ethical Dilemmas

By Michael Billington International Herald Tribune

LONDON—It's been a week of American plays, old and new. One that proves American drama, at its best, effortlessly links the individual to society...

The most emblematic of the three imports is undoubtedly Tony Kushner's "Angels in America" at the National's Cottesloe Theatre.

LONDON THEATRE

ism and just about everything you can think of except the Super Bowl.

Set in 1986, the play cunningly interweaves three stories. One involves the stream-of-consciousness attempts by Roy Cohn, threatened with being disbarred from practicing law...

What Kushner seems to be saying is there are no angels in America: Everyone has been tainted by the greed and selfishness of the Reagan years.



Marjorie Yates and Ian Bannen in the Young Vic's "All My Sons."

making self-deception whether it be Cohn's denial that he is homosexual on the ground that gays have zero clout...

Goodman's Cohn, stabbing the air with vindictive forefingers and playing the office switchboard as if it were a musical instrument...

The Nightclub Bouncers of the '90s

By Ian Fisher New York Times Service

NEW YORK—The skinny guy with the wispiness of hair that does not look like much, milking there at 2:15 A.M. at the curb in front of Limglight...

More club owners are looking for people who are articulate, people who can prevent the problem rather than squash it once it starts.

Most of a bouncer's job is stand around with an air of authority—not a hand trick for men like Chief, 31, who holds a psychology degree...

That night at the club, a man complained that his leather jacket was stolen. A thug dipped into the coat-check clerks' apron...

Schaefer, who hopes to become a chiropractor, considers his staff of about 15 security men apart from other bouncers in clubs around the city...

'Europa' Draws German Support

New York Times Service

LOS ANGELES—Many of Germany's leading filmmakers, among them the special responsibility of the past imposes upon us...

The film, about a Jewish youth's surviving the Holocaust, was written and directed by Agnieszka Holland.

ACROSS

- 1 After-shave powder
5 Sp. Miss
9 Tennis star Bjorn
12 Type of exam
14 Of (ineffectual)
16 Jug
17 Eight, to Cato
18 Capp's LI
19 Thomas Edison
20 Hepburn-Bogart film: 1951

DOWN

- 2 Roguish
3 Tardy
4 Place for outerwear
5 Tangled
6 Spring herald
7 Durrell novel
8 Salling on the Red

Crossword puzzle grid with clues.

Across

- 23 Oast
24 Capital of Tex.
25 Stream or Cape Cod town
28 Rajah's lady
30 Crafty
31 Woody's boy
32 Hanging
33 Detroit dud
37 Ripen
38 Hepburn's co-star in 55 Across
42 Golf tournament at Augusta

Down

- 43 Longboats
44 He goes like 60
45 Preoccupy abnormally
47 John Barleycorn's vessel
48 Day maker
49 Inst. of Baton Rouge
53 Musical composition

Across

- 10 Young hooters
11 Awakening, in Amiens
12 — Smith (green apple)
13 Verdi opera
14 Fish's flipper
22 One of a famous five
25 Patals social event
26 Mine find
27 Einstein's birthplace
28 Spread unchecked
29 Mimic
33 Pro (proportionately)
34 Amplitude
35 Mother-of-pearl
36 Play unit
37 Fidel pal
41 "Round virgin"
43 Longboats
44 He goes like 60
45 Preoccupy abnormally
47 John Barleycorn's vessel
48 Day maker
49 Inst. of Baton Rouge
53 Musical composition

WORLDWIDE ENTERTAINMENT

CRUISE HORSE jubilee show
bar 105 fr.
dinner 200 fr.
cash 250 fr.
cash 100 fr.

La STUDDIOTHEATRE de STAINS presente ANDROMAQUE de RACINE
à la CRYPTTE Ste AGNES

AMSTERDAM
HAESJE CLAES
Real Dutch Cooking. Open from lunch until midnight.

PARIS 15th
LE WESTERN
The american west in Paris. Formal Western 8 p.m.

PARIS 17th
AL GOLDENBERG
Multi-hering - Pastries - Cream cheese bogel and hot homemade - Cheese cake & all the treat. Jewish spec. 69 Av. de Wagram.

PARIS 17th
CHEZ FRED
lyonnais bistrot, traditional french cooking. Daily specialities. Closed Sundays.

PARIS 8th
CARR'S
BAR - RESTAURANT - Warm Welcome French and Irish cooking.

PARIS 15th
DA MELO PATACCA
Trousers, Rest. famous for fun food, music & folklore. 00130 Rome, Piazza De Mercanti.

READ IHT CLASSIFIEDS FOR ALL YOUR SERVICE NEEDS.
TUESDAY EDUCATION DIRECTORY
WEDNESDAY BUSINESS MESSAGE CENTER
THURSDAY INTERNATIONAL RECRUITMENT
FRIDAY REAL ESTATE MARKETPLACE
SATURDAY HOLIDAYS & TRAVEL
ARTS & ANTIQUES
Herald Tribune

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

A Mishmash of Tax Cuts?

To judge by advance leaks to reporters, the "growth" tax cuts that President George Bush was to announce in his State of the Union address Tuesday night and his budget on Wednesday would promote precious little growth. Taken individually, they range from inconsequential to destructive. Taken together, they would put billions into underserving pockets — and wreck the tax code.

subsidies for savings might be good policy. But Mr. Bush's idea is a gimmick, rigged to produce a deceptive bulge in revenues in the short run — while creating a huge budget hemorrhage in five or 10 years. At that point, Congress will have to cut back public programs, including investment.

Talking Back to Smears

Drawing a Wise Line

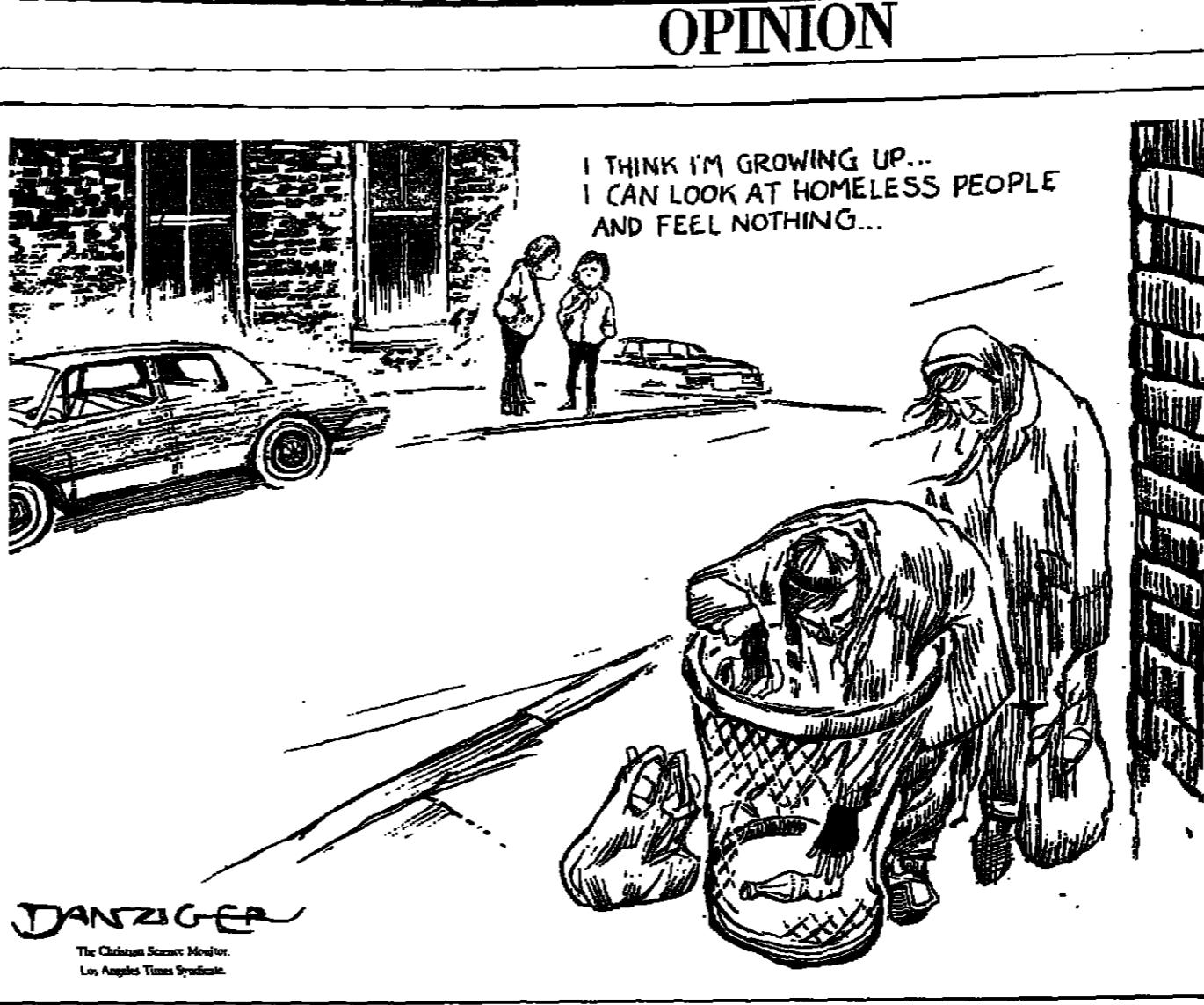
At times, voters can legitimately ask about a political candidate's financial, sexual or other personal conduct; it can bear on one's capacity for public service. At other times, any such inquiry amounts to no more than leers, smears or smug moralizing. So far at least, Governor Bill Clinton of Arkansas and his wife have found a reasonable place to draw a line between the two, responding to the first curiosity while resisting the second.

inquired into rumors in Arkansas. For lack of satisfactory evidence, most journalists declined to publish stories about Mr. Clinton's personal life. Then Jennifer Flowers, a state employee, paid by a supermarket tabloid, contended that she had a long-standing affair with the governor.

Back to the Campaign

The line that Bill Clinton sought to draw Sunday night against questions about his marriage and private sexual conduct is the right one. He has said from the beginning, and he said again in the television interview with his wife, Hillary, that he was not going to answer the "have you ever" question and its follow-ups. But of course in its way that was not an answer, and answer enough.

saying that she was no more than a "friendly acquaintance." She has serious credibility problems; a number of pretty basic claims she has made about her own life — that she was once a Miss Teenage America, that she was once enrolled at the University of Arkansas, and claims as to various jobs she has had — have been disputed or disproved. At one point in a court case she even had a lawyer deny what she now alleges — that she and Governor Clinton had an affair. She tapes that were played and the transcripts that were handed out at Monday's news conference promoting the next issue of the Star in which she is to tell more were edited. She was taping the conversations without the governor's knowledge, and she was the one who did the dirty talking; his reactions appear to have been mostly left out.



A New Horizon East of the Eastern Mediterranean

NICOSIA — In strange and striking ways, the Eastern Mediterranean reflects the struggle now beginning between Turkey, Iran and some of their neighbors for hearts and minds among the remnants of the former Soviet empire.

By John K. Cooley

struggle, between Iran and Turkey for the allegiance of the Muslim-dominated former Soviet republics. "You think neither Ankara nor Tehran has money to spare?" said an Armenian in a cafe here. "Well, just you watch the flow of cash and people from Iran and Turkey into Azerbaijan, Uzbekistan, Turkmenistan and the rest of the 'stans."

By David S. Broder

It comes to the details of their past lives. Surely those issues — if any — are of more import to the family members of these candidates than to the public at large.

It's Time to Stop Making a Mockery of Democracy

WASHINGTON — When the Democrats set the calendar for their 1992 presidential nomination contest, they thought the process would begin with the Iowa caucuses and the New Hampshire primary. They had not counted on the Super Bowl Sunday "60 Minutes" show-down between the Star, a supermarket tabloid, and Bill and Hillary Clinton.

television image-making, of substituting for political thought the audience catharsis of highly contrived dramas. It is the spiritual descendant of Richard Nixon's 1952 Checkers speech, of John Kennedy before the Houston Ministerial Association inquirers, of Ronald Reagan declaiming "I paid for this microphone" of Oliver North showing his chestful of medals to congressional investigators, and of Clarence Thomas accusing his critics of a "public roasting."

When the press is confronted by such behavior in a presidential candidate, it has no choice but to report it. But the press has no such obligation to go ramming in the closets of White House contenders for any past indiscretions that may fall out.

Now Let's Go Back to Being Grown-Ups

NEW YORK — The Clinton couple of Arkansas have presented to the American public a gift and a testing opportunity. The gift is that they treated Americans as adults. The opportunity is for Americans to act that way.

the vermin of the printed and electronic press out of business. One would be to rewrite in practice or law the Constitution they so deprecate; forget it, that would give them too much pleasure and notice. The other is to stop buying the garbage publications and click off garbage programs. Easy, and results guaranteed. Until then, any new charge against Mr. Clinton will find a buyer.

And it is much more important to test how he can possibly reconcile his promise of new policies with his headline wooing of the old power brokers and interest groups of the Democratic Party than to know the names of his old girlfriends.

This Bear Expects A Surprise

NEW YORK — Only at rare intervals on Wall Street do two and two equal four. The market is volatile and the mood of the crowd is changeable. In 1992, the mood is arguably closing in on six. Sooner or later it will come crashing back to four.

As a rule, surging stock prices anticipate prosperity. In August 1982, the market was bullish while forecasters were worried. In fact, the United States was launched on the great Reagan boom. But the crash of 1987 did not lead to a depression, and no bear market preceded the recession that at last took hold in July 1990.

When the press is confronted by such behavior in a presidential candidate, it has no choice but to report it. But the press has no such obligation to go ramming in the closets of White House contenders for any past indiscretions that may fall out.

1892: Chili Warms to U.S. NEW YORK — President Harrison, in a Message to Congress today (Jan. 28), states that the reply of the Chilean Government offers good prospect that the difference between Chile and the United States will be satisfactorily adjusted. Chile's reply to the United States ultimatum consisted of a despatch from the Chilean Minister of Foreign Affairs expressing the sincerest regret at the attack on the sailors of the Baltimore, and says that the offer to refer the settlement of the incident to the United States Supreme Court is made to show the friendly feeling and perfect good faith of Chile towards the United States.

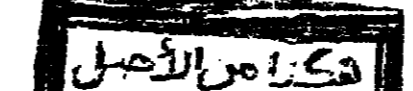
1917: Changes in Greece

ATHENS — The Hellenic Government is studying the question of the appointment of diplomatic representatives in London and Paris. The commander of the Greek division at Corfu has received orders to send his troops to Patras. Only a detachment of 200 men will remain under the command of an officer whose loyalty to the Entente is certain. By a Royal decree issued yesterday (Jan. 27) all associations considered harmful to the interests of the State may be dissolved. The Government began by dissolving the associations of Reservists.

1942: A Cheering Child

SAN JUAN — [From our New York edition] The story of the sinking of the Lady Hawkins is one of bravery and discipline, tears and laughter, and above all, human courage. One real heroine was little Janet Johnson, who was in our boat. She set an example for all of us. A chubby little girl of two years and eight months, she was soaked for five days, but she heard hardly a whimper. One night she had a fever and we gave her a spoonful of brandy. It pulled her through, but made her laugh so much that the whole boat laughed with her and we were immensely busked up.

INTERNATIONAL HERALD TRIBUNE KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER Co-Chairmen LEE W. HUEBNER, Publisher



OPINION

The Captain and His Kind Are Good for the Economy

By Hobart Rowen

WASHINGTON — For 30 years, from 1955 to 1985, CBS television led off its weekday programming each morning with "Captain Kangaroo."

Today, despite the valuable licenses the U.S. government gives CBS and the three other commercial networks to broadcast into American homes, they do not devote a single hour to children's educational programming.

What has the demise of "Captain Kangaroo" got to do with the nation's economic problems? Plenty. Ernest Boyer of the Carnegie Foundation for the Advancement of Teaching put it this way, in testimony last week before the Senate Labor Committee:

"It is my deep conviction that education and the economy are inextricably interlocked, and if we do not begin to invest more fully in our youngest children — both the economic and civic vitality of the nation will decline."

Next to parents, Mr. Boyer said, "television is, perhaps, a child's most influential teacher." But in that responsibility, the industry and its government regulators have struck out. Responsible American businessmen increasingly understand that the deficiencies that show up in the work force begin to take root in kindergarten or before.

Teachers surveyed by the Carnegie Foundation reported that 35 percent of American children reach kindergarten unprepared. By almost a 2-to-1 margin, the same teachers find children less prepared now than were those who started school five years ago.

Consider this statistic from Mr. Boyer: The average 6-month-old, through the rills of crib or playpen, is exposed to 50 minutes of television a day. By the time the child has set foot in a kindergarten classroom, he or she is likely to have spent more than 4,000 hours in front of this electronic teacher," Mr. Boyer said.

On Saturday mornings, children are mesmerized by cartoons that contain an average of 26 acts of violence per 60 minutes; all this is interspersed with commercials for junk food, says Diane Radecki's "Cartoon Report," which is published by the National Coalition on Television Violence.

Mr. Boyer touched off a wave of indignation that surprised even him when he cited such figures during testimony. He spoke in support of legislation introduced by Senators Edward Kennedy of Massachusetts and Paul Wellstone of Minnesota, both Democrats, that proposes a vast expansion of programs for human resources and education.

Mr. Kennedy, impressed by Mr.

Boyer's linkage of educational shortcomings to the nation's economic problems, mused aloud that the absence of children's programming might be "something we need to bring up at license renewal time."

Representative Ron Wyden, Democrat of Oregon, supports Mr. Boyer's proposal, which would require the networks to offer at least one hour a week of children's programming, and would establish a Cable Channel for Children.

In an interview, he said that "dollar for dollar, investments in early childhood education are as good as you can make in terms of enhancing the productivity of this country."

Take the Head Start program, which since 1965 has provided preschool education to disadvantaged 3- and 4-year-olds. Every dollar invested in Head Start is worth \$4.75 in costs eventually saved on remedial education, the welfare system and even the penal system; and also in expanded national earnings, according to David Weikart, a researcher and head of a preschool project in Michigan.

Mr. Boyer advocates a seven-part strategy to assure that by the year 2000 children will start school "ready to learn." He told the Labor Committee that a quarter-century after Head Start's inception, two-thirds of eligible children are not enrolled because the annual appropriation, at \$2 billion, is inadequate. Mr. Boyer recommends boosting the funds to \$8.3 billion.

That sounds like a lot of money. But if Mr. Weikart's ratio can be accurately extended, an additional \$6.3 billion spent on Head Start would save America \$30 billion — to say nothing of the enhancement of the lives involved.

Mr. Kennedy and Mr. Wellstone propose boosting appropriations by \$170 billion over seven years for programs such as Head Start, child welfare and childhood nutritional costs, and other investments in human capital, job training and universal health insurance. They would add a \$40 billion short-term economic stimulus aimed at public works and help for local governments, with the entire \$210 billion package to be financed by defense cuts.

If all this sounds vaguely reminiscent of the big-spending days of the New Deal and the Great Society, it is unblushingly in that vogue. For Mr. Kennedy, it represents a return to the Democratic liberalism he put aside a few years back when he still entertained dreams of running for the presidency.

Short of an actual depression, the majorities that backed Franklin Roosevelt, John Kennedy and Lyndon Johnson are not likely to support the entire Kennedy-Wellstone program. Yet, the need to do better for America's children should have as much appeal to conservatives as it does for liberals.

The Washington Post

The Plea From Gorky Led to a Real Program of Soviet Aid

By Haynes Johnson

WASHINGTON — In an age of symbolism, where slogans often masquerade as deeds, the image of the world's last superpower airlifting emergency food and medical aid to its erstwhile rival commands news space as an international good deed — or at least a good public relations act. But it pales beside an effort launched by the United States to save the Soviet Union from starvation 71 years ago.

U.S. officials have dubbed the latest emergency effort, announced Thursday, Operation Provide Hope. It will provide 38.4 million tons of food left over from the Gulf War and medical supplies from the Defense Department.

The earlier relief effort provided 700 million tons of food, plus a vast store of medicines and commodities. Those supplies fed and nursed 18 million Russians over a three-year period, saving 10 million to 20 million lives.

It was one of the most successful humanitarian acts in history, and it contained one of history's notable ironies. That U.S. effort saved the new Soviet Union and enabled it to become America's great ideological rival and superpower enemy.

In another ironic twist, the man responsible for organizing the U.S. relief program was the staunch anti-Communist Herbert Hoover, who as president during the Depression was blamed by the American people for not acting aggressively enough to alleviate suffering at home.

Starvation stalked the new Soviet Union in 1921, when Mr. Hoover's relief effort began. Cities were filled with mobs crying for food. In Petrograd alone, as many as 100,000 were dying of starvation each month. Then, as now, Russia possessed ample food resources. Then, as now, an incompetent bureaucratic administration was failing to deliver food where needed.

A stupendous famine, centered in the Ukraine and the Volga Valley, raged the new society. It was caused partly by freaks of weather, but was

mainly due to a halt in agricultural production while the Soviets were communizing the peasants. Without international help, Lenin wrote then, "the government will perish."

That July, as Mr. Hoover was winding down his postwar European relief efforts as head of the American Relief Administration, he received a personal plea from Maxim Gorky.

Mr. Hoover, then commerce secretary under President Warren Harding, was one of the few distinguished cabinet officers in an administration that became infamous for its corruption. He instantly responded to the Russian author's plea and set American terms for aid. These included

the freedom of all American prisoners held in Russia after a postwar U.S. military expedition onto Soviet territory, and the ability for Americans to operate without restriction and travel freely while administering aid. He also demanded the power to organize local relief committees inside the Soviet Union and to be given free storage space, offices and transportation.

On Sept. 1, more than 100 American prisoners were released from Soviet dungeons; the U.S. government had known of only 20. Three weeks later the first meals of American-imported food were being served to the Soviet people.

Initially, Mr. Hoover conceived of the relief effort as aimed mainly at children. Americans working for him on the scene quickly told him of "appalling" conditions in the Soviet Union. They estimated that 15 million to 20 million adults and children would die of starvation unless the United States undertook a far wider emergency operation.

Mr. Hoover was a tough deal-maker. He demanded that the Soviets place a substantial amount of the gold they had seized from the czars into U.S. hands. The gold would provide capital to buy the food, and also keep that gold from being used to subsidize revolutions worldwide.

The Soviets resisted, but finally agreed. Of a total \$78 million (about \$500 million in today's terms) raised for the relief, the Soviet gold provided \$18 million. An additional \$20 million came from a congressional appropriation, with \$8 million from U.S. Army surplus medical supplies. The rest came from public charities.

And yet given the scale of the suffering and the numbers to be helped, the operation was remarkably small. Mr. Hoover named a close associate, Colonel William Haskell, who had worked with him on European relief two years before, to take charge of the Russian effort.

Mr. Haskell assembled a staff of about 200 Americans with relief experience. At the peak, about 600 Americans were involved. They, in turn, supervised local Soviet workers employed by the U.S. agency that oversaw the movement of supplies from seaports by rail to distribution points throughout the country. Eventually, the relief effort was operating through a distribution network of nearly 18,000 stations.

In the best of times, it would have been a formidable undertaking. Then, with many rail lines still in need of major repair and the country badly demoralized, it is remarkable that the mission accomplished its goal.

Americans then, as now, were not enthusiastic about aiding the Soviet people. Indeed, Americans did not look favorably on foreign aid of any sort, though in the Hoover period there was no question that only the United States could undertake such an immense effort.

In one of many striking parallels with the present, Mr. Hoover described how America had

withdrawn into itself after the war. Its military force of 2 million was swiftly cut to the bone. "At home we were spending unprecedented sums," Mr. Hoover recalled. "We were undergoing unprecedented taxation. We were faced with unemployment and all the problems of demobilization of a country regimented to war. Our people clamored . . . to stop the expense."

Still, the huge U.S. Russian relief effort continued. By the spring of 1922, 18 million Russians were being fed. The diet consisted of shelled corn — unknown then in the Soviet Union — wheat, fats, condensed milk, stew and wheat bread.

"It was a ghastly task," Mr. Hoover wrote, "but our men carried it through with an estimated loss of fewer than a million lives. We shipped a considerable quantity of seed wheat, and the acute crisis ended with the harvest in 1922. But the Americans had to continue to care for millions of undernourished and homeless children over the winter of 1923."

Afterward, Maxim Gorky wrote Mr. Hoover: "In all the history of human suffering I know of . . . no accomplishment which in terms of magnitude and generosity can be compared to the relief that you have actually accomplished . . . Your help will be inscribed in history as a unique, gigantic accomplishment worthy of the greatest glory and will long remain in the memory of millions of Russians . . . whom you saved from death."

The humanitarian effort, of course, was soon forgotten. Russians employed by the American Relief Administration, often for no wages but their daily bread, were imprisoned once the Americans withdrew. "Our men have never since been able to get any news of them," Mr. Hoover noted.

As for the friendship between the United States and the Soviet Union, ahead lay the bloody period of Stalin's rule and then the long decades of a Cold War only now concluded.

The Washington Post

LETTERS TO THE EDITOR

A Fortress, European or American, Will Serve No One

We in post-Maastricht Europe are clearly on the way to creating a common European currency and a much more integrated continental economy.

Not everyone in the United States, however, views our progress with sympathetic eyes. In recent weeks, the American leadership has reawakened fears of a "Fortress Europe," especially in connection with the negotiations on agricultural policy within the GATT framework.

While the U.S. presidential campaign explains some of this fervor, we Europeans must not dismiss American concerns out of hand. Rather, we must convince the Americans (as well as ourselves) that no purpose is served by erecting a "fortress" on either side of the Atlantic.

It would be all too easy to lose sight of the real threats facing us all — threats that will never be dealt with properly unless the United States and the European Community, along with Japan, work closely together.

provide benefits to all. Only by working together can we hope to play a part in helping Eastern Europe and Central Asia to remain on the path of democracy; only together can we continue to rationalize the world economic system.

While convincing our American friends that we do not intend to create a Fortress Europe, we must persuade them to abandon their own (fortunately still small) temptations to isolationism. To tackle the problems ahead, we need a firm, responsible partnership.

ALAN DONNELLY, Chairman of the European Parliament's Delegation to the United States, Brussels.

Crowning Glory

Regarding "Gulf War: The Jewel in Bush's Crown Has Lost Its Gleam" (Opinion, Jan. 11): George Bush is "happiest when dealing with foreign policy because . . . he does not need to muster the patience and persuasion required in the domestic politics of a turbulent democracy."

most of our time outside the United States are in for an embarrassing year.

ARTHUR LINDLEY, Cambridge, England.

Provider or Enabler

Regarding "No Throne at India's New Open Door" (Business/Finance, Jan. 18) by Dilip Subramanian: The state as enabler has far less to offer than the state that is seen as provider. The Indian leadership must put across the message of the state as enabler if it is to unleash the enterprising potential of its people. This will also generate greater confidence in believers in market forces elsewhere to be partners in India's development.

Even so, U.S. companies — with the exception of the industries symbolized by Pepsi — fixated as they are on their quarterly results, will find it hard to invest in a country where they need to take a long-term view.

S. JHA, Oberwil, Switzerland.

Advertisement for LA TRIBUNE DE L'EXPANSION. Text includes: 'La Tribune est en vente partout dès le lundi 27 janvier', 'Le premier quotidien de l'économie vivante', 'Par satellite, chaque soir dans six imprimeries...', 'La Tribune, tête de réseau européen', 'Les deux-tiers des dirigeants n'ont pas encore trouvé leur quotidien', 'Essayez gratuitement'.

Advertisement for LA TRIBUNE DE L'EXPANSION. Large headline: 'L'ECONOMIE TELLE QU'ON LA VIT.' Text includes: '...Et soudain, l'Economie devient palpitante, passionnante. La Tribune, c'est une vision nouvelle de la presse économique...', 'LA TRIBUNE DE L'EXPANSION', 'LE QUOTIDIEN ECONOMIQUE NOUVEAU'.

MEDIA MARKETS

Super Bowl Advertisers Cheer Broadcast Result

By Paul Farni Washington Post Service WASHINGTON — Washington Redskins fans aren't the only ones happy about the Super Bowl. For CBS Inc. and the game's TV sponsors, the bowl was also super. Despite pre-game talk that the contest was losing its luster as an advertising showcase...

According to preliminary data from A.C. Nielsen Co., Sunday's Super Bowl was watched by an average of 40.4 percent of all TV households in 25 major U.S. markets. That figure is off slightly from last year's preliminary rating of 41.9, but advertisers generally discounted the difference, noting that last year's game featured the New York Giants in a down-to-the-wire finish against the Bills.

THE GAME featured its usual complement of glittery "event" ads, such as Pepsi's debut of its new "gotta have it" slogan, Nike Inc.'s Michael Jordan-Bugs Bunny collaboration and Anheuser-Busch Inc.'s "Bud Bowl" series.

Nike's much-talked-about "Hare Jordan" commercial featuring an animated Bugs Bunny teaming up with Michael Jordan to outsmart some basketball bullies...

Nike has signed a long-term contract with Warner Brothers for the use of all of its Looney Tunes characters in future TV spots. Several major advertisers, such as Hertz Corp., are now airing time TV spots that mix live action and cartoon figures.

But the steep costs and lengthy production time of these spots will give advertisers pause. The Nike spot cost nearly \$1 million to make — excluding Mr. Jordan's fee — estimated Scott Bedbury, Nike's director of advertising. That's about four times the cost of a typical TV spot.

Poverty and Rubles: Making Ends Meet

By Louis Uchielle New York Times Service MOSCOW — A cardiologist sees private patients to supplement his salary from a full-time hospital job, which pays him only 2,000 rubles a month.

An office worker, who could afford to buy a small car two years ago, now cruises the streets in it, picking up taxi fares — a growing freelance activity.

Everywhere in the Commonwealth of Independent States, people are hustling for extra income to survive. "Poverty is the normal state of living in our country today," said Lev Timofeyev, an economist and writer.

Poverty is a result of prices that have tripled or more for everyone, while wages have only doubled at best.

But data are lacking. The most informed estimates probably come from Goskomstat, the former Soviet statistics agency now in the hands of the Russian Republic but still collecting statistics from all the republics.

Irena Fraxova, a cost-of-living expert at Goskomstat, says the average monthly outlay for food and other essentials has risen to about 1,300 rubles for an individual with people in the countryside getting by on as little as 400 rubles to 500 rubles and Moscovites averaging

1,800 rubles. Before price ceilings were lifted on Jan. 2, living costs averaged 340 rubles. The average jobholder earns 800 to 1,000 rubles a month for a 40-hour week, Goskomstat estimates. Those sums include not only wages and bonuses but also transfer payments, such as free meals on the job and state subsidies for children and maternity leave.

The shortfall in family incomes raises two questions. First, why has the public accepted

off-the-book activities are on the rise, but are not the major source of extra income. Taking a second job is more common.

This plunge into poverty without widespread protest? Russians suggest that they have not yet felt the consequences of their sudden setback, in part because families stockpiled goods. Second, what can people do to increase their incomes and save themselves from prolonged poverty? Is everyone — like the cardiologist, the freelance taxi driver, the woman selling shopping bags or the numerous hucksters in the Moscow subway — becoming an entrepreneur on the sidelines?

These off-the-book activities are on the rise, but they are not the major source of extra

income. Taking a second job is more common than trying to strike out on one's own. An estimated 2.5 million people moonlighted in 1990, averaging 180 rubles a month in additional earnings, mostly from second jobs in the expanding private sector, says Viktor Barabashov, deputy director of Goskomstat's division of labor statistics. He says these numbers probably increased significantly in 1991.

Another popular activity is dubbed small enterprise.

"A large organization surrounds itself with small, private companies that give people a chance to make money," said Abel G. Aganbegyan, director of the Academy of the National Economy in Russia.

Mr. Aganbegyan, for example, permitted an entrepreneurial colleague to convert the academy's printing operation last year into a private publishing company, one that now subcontract its services to the academy.

With the department's 20 employees as partners, the new company leased the academy's offset press, computers and other machinery. The lease payments have counted toward purchase of the equipment. And the new publishing house's personnel, working more efficiently, receive higher salaries from their enterprise than the state-financed academy would have been allowed to pay them, Mr. Aganbegyan said.

Poverty apparently is forcing many people not into rebellion, but into trying to live by their wits and by extra work.

Sweden Rejects Volvo Deal but Agrees to Talk

STOCKHOLM — The Swedish government said Tuesday it rejected the terms of a proposed \$6.6 billion merger between Procordia AB and Volvo AB but saw a basis to negotiate with Volvo.

Both the Swedish state and the automaker hold 42.7 percent voting stakes in Procordia, a food and pharmaceuticals group.

The bid as presented cannot be accepted, Prime Minister Carl Bildt and Industry Minister Per Westerberg said in a statement following a government meeting.

The decision followed the recommendation of its privatization commission, which earlier Tuesday ruled that the proposed merger offered no clear benefits.

The advantages that may exist for Volvo are counterbalanced by disadvantages for Procordia, said Curt Nicolin, the commission's head.

The proposed merger, which has drawn increasing opposition since it was announced on Saturday, would be the biggest in Sweden's history and create a conglomerate with \$22.3 billion in assets, \$20 billion in sales and about 105,000 employees.

Sentiment on the Stockholm bourse became increasingly skeptical to the deal. An influential share promotion society, Aktiespararna, advised Procordia shareholders to reject the deal.

Procordia's free B shares were unchanged at 198 kronor (\$33.92), after falling 12 kronor on Monday, while Volvo's free B shares fell 8 kronor to 390.

Analysts said the Volvo shares would trade considerably higher if the investors believed the deal would be completed. Both the government and the commission decisions were announced after the stock market closed for the day.

Under the proposed merger terms, Procordia is offering Volvo shareholders nine Procordia shares for every four Volvo shares.

Financial analysts have questioned the merger, saying it would be a bad deal for Procordia shareholders by tapping the food and drug company's strong cash flow to support Volvo, which has been suffering from a slump in car sales.

Mr. Nicolin, the commission leader, said a merger would forge deeper bonds between the state and private industry and delay the government's privatization program. He said the government still intended to sell its Procordia stake, possibly within months.

Russia Awards Sakhalin Oil Rights

MOSCOW — A U.S.-Japanese consortium has won the rights to develop vast oil and natural gas fields off Sakhalin Island, in far eastern Russia, government officials said Tuesday.

The consortium involved in the multibillion dollar deal comprises Eni & Co., a major Japanese trading company, and Marathon Oil Co. and McDermott International Inc. of the United States.

The rights were given by the Russian government, which took bids from six international groups of oil and related companies interested in developing the reserves.

The Russian Ministry of Ecology and Natural Resources said the reserves off Sakhalin were estimated at more than 100 million tons of oil and more than 400 billion cubic meters of natural gas, concentrated in two new fields.

Given the extremely harsh conditions of weather and pack ice, the Russian ministry said, "this will be one of the largest and most complex hydrocarbon development projects ever attempted."

Analysts said the deal was vital for Japan, which is almost entirely dependent on imported oil and gas. The three companies are to sign a formal agreement on a feasibility study by March 31, and then continue negotiations on the development of the project.

Western oil company executives said the speed and scale of investment and development would depend on regulations agreed by Russia on foreign companies and joint ventures, and on rules on property rights, royalties and taxation law.

Fougerolle of France Bids for Rival Builder

PARIS — France's Fougerolle launched a 4.6 billion-franc (\$840 million) takeover bid on Tuesday for rival Société Auxiliaire d'Entreprise, a deal that would unite two major independent groups in the French building and public works sector.

A merger would create a company with sales of around 40 billion francs a year. Fougerolle already holds 22.8 percent of SAE and its ally Paribas, with which it has a stockholders' pact, holds 5.2 percent. Paribas will tender its SAE shares to Fougerolle under the bid.

The terms offer 1,100 francs a share for immediate payment, or 1,200 francs if SAE shareholders wait a year for payment. SAE closed at 920 francs on Monday. Its shares were suspended Tuesday.

Fougerolle has a substantial debt load stemming from a management buyout in early 1990, and it will have to spend 3.5 billion francs to buy all the shares of SAE it does not already own.

The acquisition will be financed by a capital increase for Financière Fougerolle, its holding company, and bank loans. Fougerolle and SAE employees would hold more than 50 percent of the new company.

Separately, in a report submitted to the Paris Appeals Court, the Market Operations Commission denounced the agreement between Financière SA and the Maus family, the main shareholder in Au Printemps SA, that allowed François Financière to bid for just 66 percent of the department store group, rather than 100 percent.

Consumer Confidence Resumes Slide in U.S.

NEW YORK — As financial markets lay waiting for President George Bush's State of the Union address on the economy, another dip in confidence about the U.S. economic outlook was reported Tuesday.

The Conference Board, a business research group, said its consumer confidence index for January fell to 50.4 from the December figure of 52.5. The index had leveled off last month after taking a sharp dive throughout the autumn.

"The public continues to be uneasy about present conditions and uncertain about the future," said Fabien Linden, director of the survey. "Clearly, before there is any significant recovery, there must be a marked improvement in consumers' spirits and their willingness to spend."

The dollar dropped about half a penny against the Deutsche mark early in the day, then moved higher. It reached its lowest level for the session on a rumor of official intervention that turned out to be false. (Page 10)

Stock markets were becalmed awaiting the presidential address Tuesday night, but bonds strengthened on a combination of weak economic sentiment and an expectation that the administration would hold the line on the budget deficit.

These trends could reverse themselves with a whiplash if the speech persuades bondholders here or abroad that the administration's program or its battle with a Democratic-controlled Congress in an election year might threaten to ignite inflation.

Victim of a Vision: How Macy Lost Out

By Steve Lohr New York Times Service NEW YORK — Edward S. Finkelstein tried everything to avoid bankruptcy — costly advertising, sales, cajoling suppliers, tapping his circle of wealthy friends to stump up more cash. But in the end, there was nothing the 66-year-old chairman of R. H. Macy & Co., once hailed as a marketing miracle worker, could do to keep his debt-laden empire afloat.

Known as brilliant, thin-skinned, Mr. Finkelstein repeatedly made optimistic predictions for Macy and repeatedly fell short of those goals.

The recession and the slump in consumer spending clearly magnified the problems at Macy, but his cash squeeze was largely a creation of Mr. Finkelstein's strategy.

The \$3.5 billion buyout that he led in 1986 placed a considerable burden on the company. Yet, according to analysts, the real mistake was stretching to pay \$1.1 billion to buy the L. Magnin and Bullock's department store chains in 1988. That deal increased the amount of cash Macy had to generate simply to make the interest payments on its debt, and it came just as the economy was softening.

"That was Macy's major strategic blunder," said Louis W. Stern, a professor of marketing at Northwestern University's graduate school of management. "It just killed them."

The 1988 purchase was championed by Mr. Finkelstein against the initial objections of at least one influential board member, Laurence A. Tisch, chairman of Loews Corp. and CBS Inc., a source familiar with the boardroom debate said. Cautious about taking on debt and pessimistic about the economic outlook, Mr. Tisch apparently thought that Mr. Finkelstein's expansion plans were overly ambitious.

When Mr. Finkelstein prevailed, the deal went through, and Macy, saddled with debt and high interest costs, was headed for trouble.

Last week, Mr. Tisch emerged as Macy's last hope against bankruptcy with a \$1 billion bid to purchase the company. But his offer required significant concessions from creditors, and when Prudential Insurance Co. of America declined to go along, the offer foundered.

OUR PHILOSOPHY OF BANKING GOES BACK 4,000 YEARS.



It was the ancient traders who first established many of today's banking practices. They accepted funds for safekeeping. Bartered goods for services. And extended credit. It was a business based on trust, and a handshake contract was binding. The world has changed immeasurably since then, but Republic National Bank still holds to the principles established nearly four millennia ago. We believe in the primacy of personal relationships, the importance of trust and the protection of depositors' funds. This emphasis has made Republic National Bank one of the world's leading private banks. We're a subsidiary of Satra Republic Holdings S.A., with US\$1.1 billion in total capital. Client assets have grown 400% in the past four years and now exceed US\$8 billion. And our strong balance sheet and risk-averse orientation become more important with each day's headlines. Though cuneiform tablets have given way to modern computers, the timeless qualities of safety, service and personal integrity will always be at the heart of our bank.

REPUBLIC NATIONAL BANK OF NEW YORK (SUISSE) SA

HEAD OFFICE: GENÈVE, 2 PLACE DU LAC, 1204 - TEL (022) 709 55 55 - FAX (022) 705 55 50 BRANCHES: LUGANO - VIA CANOVA - 6901 - TEL (091) 25 85 22 - ZÜRICH - STOCKERSTRASSE 37 - 8034 - TEL (01) 288 15 18 - GUERNEY - RUE DU PPE - ST PETER PORT - TEL (481) 711 761

AFFILIATE: REPUBLIC NATIONAL BANK OF NEW YORK, IN NEW YORK. OTHER LOCATIONS: BEVERLY HILLS - GAYMAN ISLANDS - LOS ANGELES - MEXICO CITY - MIAMI - MOOREHEAD - NASSAU - NEW YORK - BUENOS AIRES - CARACAS - MONTEVIDEO - PUNTA DEL ESTE - RIO DE JANEIRO - SANTIAGO - GIBRALTAR - GUERNEY - LONDON - LUXEMBOURG - MILAN - MONTE CARLO - PARIS - BEIRUT - HONG KONG - JAKARTA - SINGAPORE - TAIPEI - TOKYO

CURRENCY RATES

Table with columns for Currency, Par \$, and other financial data. Includes entries for Amsterdam, Brussels, Frankfurt, London, Madrid, Milan, New York, Paris, Tokyo, Zurich, and various other international locations.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Australian dollar, Canadian dollar, Hong Kong dollar, Indian rupee, Japanese yen, etc.

Table with columns for Currency, Par \$, and other financial data. Includes entries for 30-day, 60-day, 90-day, and 1-year forward rates for various currencies.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Eurocurrency deposits for various currencies and terms.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Eurocurrency deposits for various currencies and terms.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Eurocurrency deposits for various currencies and terms.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Eurocurrency deposits for various currencies and terms.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Eurocurrency deposits for various currencies and terms.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Eurocurrency deposits for various currencies and terms.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Eurocurrency deposits for various currencies and terms.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Eurocurrency deposits for various currencies and terms.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Eurocurrency deposits for various currencies and terms.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Gold prices in various locations.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Gold prices in various locations.

Table with columns for Currency, Par \$, and other financial data. Includes entries for Gold prices in various locations.

Disney and Procter Lift Dow to Record

NEW YORK — On a day when most U.S. stock indexes managed only meager gains ahead of President George Bush's State of the Union speech, blue chips surged to their eighth closing record this year, powered by earnings gains in a handful of stocks.

lion shares from 190.4 million Monday. Stocks ended slightly higher on the American Stock Exchange and in over-the-counter trading. Key U.S. government securities were higher, with the Treasury's 30-year bond up 26 3/32 at 104 1/32 to yield 7.65 percent, down from 7.72 percent Monday.

Leading the surge in the Dow was Walt Disney Co., which jumped 8 1/4 to 140 1/4 after reporting first-quarter earnings rose to \$1.56 a share from \$1.28 a year ago. It was followed by Procter & Gamble Co., which climbed 6 to 103 1/4 after reporting second-quarter earnings rose to \$1.47 from \$1.36.

Other stocks benefiting from stronger earnings included Allied Signal, which rose 1 1/4 to 47 1/4 after reporting fourth-quarter earnings rose to 83 cents a share from 80 cents a year ago. Merck gained 1 to 153 after reporting fourth-quarter earnings rose to \$1.37 a share from \$1.14.

The breadth of the rally was unimpressive with gainers barely nudging out losers and secondary stocks virtually unchanged.

On the trading floor, Unisys paced the Big Board advance, edging up 1/4 to 7 1/4. Citicorp followed, rising 1/4 to 15 1/4.

Compaq Computer was third, falling 3/4 to 32 1/4. (Reuters, UPI)

Conference Board's confidence index dropped to 50.4 in January, from 52.5 in December, a dismal reading surpassed only by the low of 50.1 at the start of the 1980-82 recession.

The dollar also weakened to 1.4331 Swiss francs, after a 1.4303 close, and to 5.4525 French francs, after 5.4855.

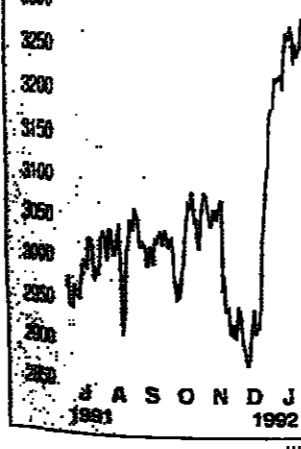
The British pound was higher at \$1.7920, after \$1.7820. The president of the Federal Reserve Bank of Chicago, Silas M. Scofield, tried to put a brave face on the confidence survey by saying that the impact of the Fed's aggressive easing of interest rates in December would not be reflected in U.S. economic data until February.

But he also said that if the economy falters, the Fed would return to its pattern of gradual easing. In Europe, the dollar ended at 1.5995 DM, down from 1.6145 late Monday. But it edged up to 125.55 yen, from 125.20.

The dollar slipped to 1.4320 Swiss francs from 1.4367 late Monday, and to 5.4435 French francs from 5.5075. The pound climbed to \$1.7940 from \$1.7780.

Regarding the U.S. outlook, the

The Dow



Daily closings of the Dow Jones industrial average

Dow Jones Averages

Table with columns: Index, Open, High, Low, Last, Chg. Includes Industrial, Transp., Utility, Comp, and Finance.

Standard & Poor's Indexes

Table with columns: Index, High, Low, Close, Chg. Includes Industrial, Utility, Comp, and Finance.

NYSE Indexes

Table with columns: Index, High, Low, Close, Chg. Includes Composite, Industrial, Utility, Comp, and Finance.

NASDAQ Indexes

Table with columns: Index, High, Low, Close, Chg. Includes Composite, Industrial, Utility, Comp, and Finance.

AMEX Stock Index

Table with columns: High, Low, Close, Chg. Includes Composite, Industrial, Utility, Comp, and Finance.

Dow Jones Bond Averages

Table with columns: Index, High, Low, Close, Chg. Includes 30 Bonds, 10 Utilities, and 10 Industrials.

Market Sales

Table with columns: Index, Volume, High, Low, Last, Chg. Includes NYSE, AMEX, and NASDAQ.

N.Y.S.E. Odd-Lot Trading

Table with columns: Buy, Sell, Volume, High, Low, Last, Chg. Includes NYSE, AMEX, and NASDAQ.

S&P 100 Index Options

Table with columns: Index, High, Low, Last, Chg. Includes Call and Put options.

NYSE Diary

Table with columns: Index, High, Low, Last, Chg. Includes NYSE, AMEX, and NASDAQ.

AMEX Diary

Table with columns: Index, High, Low, Last, Chg. Includes AMEX, NYSE, and NASDAQ.

NASDAQ Diary

Table with columns: Index, High, Low, Last, Chg. Includes NASDAQ, NYSE, and AMEX.

EUROPEAN FUTURES

Table with columns: Index, High, Low, Last, Chg. Includes DAX, CAC, and FTSE.

Food

Table with columns: Index, High, Low, Last, Chg. Includes SUGAR, COFFEE, and Cocoa.

Metals

Table with columns: Index, High, Low, Last, Chg. Includes ALUMINUM, COPPER, and ZINC.

Stock Indexes

Table with columns: Index, High, Low, Last, Chg. Includes FTSE, DAX, and CAC.

Dividends

Table with columns: Company, Dividend, Yield, Ex-Dividend Date.

STOCK SPLIT

Table with columns: Company, Split Ratio, Effective Date.

Financial

Table with columns: Index, High, Low, Last, Chg. Includes 3-MONTH EURO DOLLARS, 3-MONTH EURO DOLLARS (LIFFE), and 3-MONTH EURO DOLLARS (LIFFE).

U.S. FUTURES

Table with columns: Index, High, Low, Last, Chg. Includes WHEAT, SOYBEANS, and CORN.

Grains

Table with columns: Index, High, Low, Last, Chg. Includes WHEAT, SOYBEANS, and CORN.

Metals

Table with columns: Index, High, Low, Last, Chg. Includes NI GRADE COPPER, GOLD, and SILVER.

Livestock

Table with columns: Index, High, Low, Last, Chg. Includes CATTLE, HOGS, and PIGS.

Financial

Table with columns: Index, High, Low, Last, Chg. Includes U.S. TREASURY, U.S. TREASURY, and U.S. TREASURY.

Food

Table with columns: Index, High, Low, Last, Chg. Includes COFFEE, SUGAR, and Cocoa.

Stock Indexes

Table with columns: Index, High, Low, Last, Chg. Includes NYSE, AMEX, and NASDAQ.

Commodity Indexes

Table with columns: Index, High, Low, Last, Chg. Includes S&P 500, NYSE, and AMEX.

Market Guide

Table with columns: Index, High, Low, Last, Chg. Includes NYSE, AMEX, and NASDAQ.

Procter & Gamble Net Increases 8%

CINCINNATI (UPI) — Procter & Gamble Co. reported Tuesday its second-quarter net income rose 8 percent to \$523 million from \$490 million in the second quarter of 1990.

Sales rose 9 percent to \$7.5 billion, from \$6.8 billion during the second quarter of 1990. For the six months, Procter & Gamble said its net income rose to \$1.06 billion from \$1.045 billion in the year-ago period. Six-month sales rose 9 percent to \$14.7 billion, from \$13.5 billion in 1990.

Analysts Issue Buy Ratings on Disney

LOS ANGELES (Reuters) — Several analysts on Tuesday raised their 1992 earnings estimates or issued buy recommendations on Walt Disney Co. after the company reported its first quarterly earnings gain since the 1990 fourth quarter.

First-quarter earnings rose to \$208.1 million from \$170.4 million in the year-ago period, the company reported Monday. Revenues rose to \$1.94 billion from \$1.49 billion.

"A new positive earnings cycle is developing for Disney," said Alan Kassar of Morgan Stanley. He repeated his buy rating and raised his estimate for the year ending Sept. 30 to \$6.15 a share from \$6.05.

Compaq Profit Off 51% in Quarter

HOUSTON (AP) — Compaq Computer Corp.'s fourth-quarter profit fell 51 percent from the same period a year ago and 71 percent for all of 1991, the company reported Tuesday.

Fourth-quarter earnings totaled \$67 million, or 77 cents a share, down from \$135 million, or \$1.50 a share, for the year-ago period. Sales were \$873 million, down 13 percent from \$1 billion in the fourth quarter of 1990.

"A tough economic environment fueled intense price competition, which was the major cause of the company's lower revenues," said the president and chief executive officer, Eckhard Pfeiffer.

Japan Talks Still On, Carmakers Say

DETROIT (AP) — Plans for a meeting next month of officials of major U.S. and Japanese automakers are continuing despite doubts expressed by a Japanese auto executive, spokesman for U.S. automakers, said Tuesday.

In Tokyo Monday, the president of Nissan Motor Co., Yataka Kume, said he opposed another formal meeting of U.S. and Japanese auto executives, such as was held during President George Bush's trip to Japan.

"The thinking around here is we were heading toward a possible meeting in February or March," a Ford spokesman said Tuesday.

VW Offers Layoff Protection

AUBURN HILLS, Michigan (AP) — Volkswagen of America Inc. said Tuesday it would cover car payments and insurance, up to \$500 a month, for as many as 12 months for Volkswagen buyers laid off because of the recession.

Persons buying or leasing cars from Tuesday to March 31 qualify for the program, whether or not they use VW Credit Inc. financing.

Sharp and Apple Discussing Links

TOKYO (Combined Dispatches) — Sharp Corp. has been discussing possible business and technology links with Apple Computer Inc., the Japanese electronics company said Tuesday.

Joint development of consumer products and production of flat panel display screens, as well as marketing agreements, were among topics being discussed, a spokesman for Sharp said.

"The talks began last year, but we haven't reached any specific agreements, despite reports in the Japanese press," said the spokesman, Hiromitsu Izawa. The Nihon Keizai Shimbun, citing company sources, reported Tuesday that a Sharp subsidiary would market Apple's Macintosh computers in Japan. (AP, UPI, Bloomberg)

Dollar Mostly Weaker Ahead of Bush Speech

NEW YORK — The dollar finished weaker Tuesday against the Deutsche mark but stronger against the yen in choppy trading ahead of President George Bush's State of the Union address.

"We're in a holding pattern until Bush's address tonight," said Phil Mahoney, a senior dealer at West

Foreign Exchange

pac Bank in New York. "The day-to-day positions are squared and there's been no real activity."

The U.S. unit eased to 1.5998 Deutsche marks from 1.6105 DM Monday, but gained to 125.79 yen from 125.25.

The dollar weakened against the German currency on news of a steep decline in U.S. consumer confidence. It was further undermined by unsubstantiated rumors in New York that the U.S. Federal Reserve was selling dollars.

But the Group of Seven's failure to present any specific currency targets or policies at their meeting in New York on Saturday continued to fuel dollar buying against the yen.

Much was already known about Mr. Bush's proposals for the economy, but traders said the scale of defense and tax cuts could bring some surprises.

Investor Wins Nedlloyd Seat

ROTTERDAM — Koninklijke Nedlloyd Groep NV announced Tuesday that the Norwegian investor Torstein Hagen would be appointed to its supervisory board.

Mr. Hagen, who controls a 27 percent stake in Nedlloyd through his Luxembourg-based Marinvest SA, has been battling for a board seat for more than a year so he can push through changes. Nedlloyd, which is struggling with debts and excess capacity in the transportation and shipping industries, posted a net loss of 148 million guilders (\$82 million) for 1990. In the first half of 1991 it made a net profit of 2 million guilders.

WORLD STOCK MARKETS

Table of world stock markets including Amsterdam, Brussels, Frankfurt, London, Milan, Madrid, Sao Paulo, Singapore, Tokyo, Zurich, and others.

Table of world stock markets including Hong Kong, Hanoi, Jakarta, Manila, Mexico, New York, Paris, Perth, Rangoon, Seoul, Singapore, Taipei, and others.

Table of world stock markets including Athens, Buenos Aires, Calcutta, Caracas, Chennai, Colombo, Copenhagen, Dallas, Delhi, Dhaka, Hong Kong, Hanoi, Jakarta, Manila, Mexico, New York, Paris, Perth, Rangoon, Seoul, Singapore, Taipei, and others.

Table of world stock markets including Lima, London, Lyons, Manila, Mexico, New York, Paris, Perth, Rangoon, Seoul, Singapore, Taipei, and others.

Advertisement for U.K. Bull market, featuring text about market trends and a 'BULL' graphic.

Bundesbank Warns on Prices

Reuter
BONN — A Bundesbank official said on Tuesday there were no signs that inflation in Western Germany would fall soon, and the central bank reported that money-supply growth exceeded its target in 1991.

"With the recent rates above 4 percent, the inflation rate has reached a level that is worryingly high and in the very short term will hardly decline," board member Oskar Issing said in a speech at an economic conference.

A central bank that is obliged to maintain price stability cannot accept such a situation, he said.

Mr. Issing said the Bundesbank had raised interest rates by half a percentage point in December because growth of M3, its main money supply gauge, had accelerated sharply in recent months.

The central bank reported on Tuesday that M3 had risen by an annual 5.7 percent in December, up from 5.1 percent in November. In the final quarter of 1991, M3 grew by 5.2 percent compared with a year earlier, above the bank's target of 3 percent to 5 percent.

In 1992, the central bank has raised its growth target for M3 to 3.5 to 5.5 percent.

Mr. Issing said M3 had expanded at an annual rate of 8 percent since the middle of 1991, and at a 9.5 percent rate in the last three months of the year, mainly because of high lending to companies and private individuals.

"A hardening of the inflation mentality endangers economic growth and at the same time the opportunity for a rise in real income," he said.

To safeguard credibility, the Bundesbank's goal has

to be to return money growth to the target rate, he said, adding that stable monetary policies are not only in Germany's own interest but also correspond with the goals of the European Community.

Norbert Walter, chief economist at Deutsche Bank AG, said the M3 data served to justify the Bundesbank's December interest-rate rise. However, he said he expected slowing global economic activity and tight German monetary policy to enable the central bank to keep M3 growth in check this year.

German markets showed almost no reaction to the money-supply data. Alison Connell, international economist at Midland Montagu Research in London, said the strong second-half rise in M3 rise was another indication of Germany's economic slowdown.

"As the economy slows," she said, "the ability to fund activity internally by the private sector falls." She also said that it had become increasingly difficult for the Bundesbank to estimate the flow of cash outside the country after German unification because the Deutsche mark increasingly is being used as a reserve currency in Eastern Europe.

Telekom Workers Strike

Several thousand German telecommunications workers started token strikes at 75 Western German post office authorities on Tuesday in support of claims for higher 1992 wages, news agencies reported.

Employees stopped work at Bundespost Telekom's directory enquiry, wake-up and switchboard departments, and in marketing, the Deutsche Postgewerkschaft union said.

Fiat Says Profit Plunged 70% For the Year

The Associated Press
TURIN — Fiat SpA reported Tuesday a 70 percent plunge in 1991 operating profit, and said prospects remained uncertain this year.

The automaker said consolidated operating profit dropped to 636 billion lire (\$530 million) from 2,117 billion lire in 1990. Sales rose about 1 percent, to 57.8 trillion lire.

Chairman Gianni Agnelli called the preliminary results positive in light of the current world economic situation.

Net profit figures were not disclosed, but industry analysts estimated that group net profit likely fell 48 percent.

Analysis noted that Fiat reported a net financial position in the red for the first time in nearly a decade. Net debt amounted to 385 billion lire at the end of 1991.

Hanson Has No Plans To Make a Bid for ICI

Compiled by Our Staff From Dispatches
LONDON — The chairman of Hanson PLC said Tuesday that the British industrial conglomerate had no plans at present to bid for Imperial Chemical Industries PLC.

ICI shares dropped 2 percent Tuesday to finish at 1263 pence (\$22.46). But the company announced it would pursue its restructuring program to boost shareholder value.

Hanson bought a 2.8 percent stake in ICI in May, fueling speculation that it might be preparing to launch a full bid for the company.

Lord Hanson, the Hanson chairman, told the firm's annual meeting: "We have never said we would bid for ICI. That was all media speculation and market rumor, and we have no plans to do so now."

He added that Hanson had bought its ICI shares when it believed ICI was undervalued.

"With a large shareholding, we thought, wrongly as it evolved, that there would be interest from the board of ICI in doing business with us in some way, to our mutual advantage," he said.

But, he added, "An element of its management believed we were about to mount an immediate takeover, rebuffed our offer to talk and, I believe, lost a great opportunity."

The Panel on Takeovers and Mergers said Hanson was now precluded from making any bid for ICI. No time limit was set on the ban.

Lord Hanson did not say whether the company would now sell its 2.8 percent stake in ICI.

He said: "ICI is now working hard to create the sort of value the company's shares deserve. We wish them well. As ICI's second biggest shareholder we will continue to watch its progress with great interest."

Responding to the statements, ICI said, "ICI shareholders should be assured that ICI will continue vigorously with the reshaping program begun before the Hanson stake was purchased and with other initiatives to improve shareholder value." (Reuters, Bloomberg)

Investor's Europe

Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	CBS Trend	122.00	121.40	+0.49
Brussels	Stock Index	5,868.02	5,856.82	+0.19
Frankfurt	DAK	1,683.08	1,683.58	-0.03
Frankfurt	FAZ	682.59	684.20	-0.24
Helsinki	HEX	888.00	874.90	+1.50
London	Financial Times 30	1,973.90	1,966.40	+0.38
London	FTSE 100	2,552.00	2,539.00	+0.51
Madrid	General Index	263.82	262.20	+0.64
Milan	MIB	1,978.00	1,978.00	-0.19
Paris	CAC 40	1,890.60	1,869.27	+1.14
Stockholm	Affarsvarlden	994.55	1,003.40	-0.88
Vienna	Stock Index	446.80	441.04	+1.31
Zurich	SBS	631.70	631.70	Unch

Sources: Reuters, AFP
 International Herald Tribune

U.K. Business Confidence Slides

Compiled by Our Staff From Dispatches
LONDON — Business confidence among British manufacturers has fallen sharply in recent months, according to a quarterly survey of industrial trends released Tuesday.

The Confederation of British Industry, an employers' group, said their survey showed that only 10 percent of companies were more optimistic on business prospects, compared with 34 percent who were less optimistic.

The difference between the two, which measures the trend, is a negative balance of 24 percent, which compares with a positive balance of 2 percent in October's survey.

The employers' forum also said expectations in the October survey of a modest improvement in orders and output had been disappointed.

"The international situation is clouding the short-term outlook and the expectations of a mod-

est improvement in demand and output in our October survey have not been realized," said Sir Brian Corby, president of the CBI.

But the survey showed that companies expected a modest improvement in orders in the next four months, with the downward trend in output flattening out.

It also showed that rises in costs and prices in British manufacturing over the past four months were the lowest recorded for more than 30 years, the CBI said. The downward pressure partly reflected a continued drop in orders and output, it added.

In the coming four months, 22 percent of companies expected the trend in total new orders to rise, with 20 percent forecasting a fall.

On export prospects over the next 12 months, 25 percent of companies were less optimistic and only 18 percent more optimistic, giving a negative balance of 7 percent. (UPI, Reuters)

EC Urges Insurance Broker Rules

Reuter
BRUSSELS — All European Community countries should establish minimum qualifications for insurance brokers and require that any links between brokers and insurance companies be disclosed, the EC Commission said Tuesday.

In a recommendation to the 12 EC members, the Commission called for action to ensure that companies could take advantage of a wider choice of insurance policies once barriers to cross-border trade are abolished in the post-1992 single market.

The Commission, the EC's executive body, asked governments to report by the end of 1994 on measures that had been taken. It also

reserved the right to propose binding EC legislation.

The Commission has approved rules to allow consumers to buy life insurance from local insurance brokers offered by a company in another EC state and more liberalization measures are planned.

"The emerging market will give European consumers more choice than ever between competing companies and products," said Sir Leon Brittan, the EC commissioner responsible for financial services.

"This increases the need for qualified insurance intermediaries."

A Commission spokesman said that Germany and Denmark had no legislation covering insurance brokers, and that other EC coun-

Very briefly:

- Carlton Communications PLC said it was making a £67.8 million (\$120.5 million) recommended offer for Pickwick Group PLC, a distributor of videos and recorded music in Britain and Europe.
- Willis Corroon Group PLC said it bought Richards, Melling Inc., one of the largest insurance brokers in Canada, for \$8.3 million.
- Svenska Handelsbanken cut its forecast for 1991 operating profit to just under 3 billion kronor (\$514 million), from about 4.56 billion kronor previously, because of credit losses at finance firm Gamlestad AB.
- Germany's century-old law banning women from working at night was struck down as discriminatory by the Federal Constitutional Court.
- Bayerische Landesbank Girozentrale said group net profit rose to 277 million Deutsche marks (\$172 million) in 1991 from 163.5 million DM in 1990, due to increased earnings from interest and own-account trading.
- Germany's Postal Ministry said it will put up for tender another pan-German license to operate a digital cellular mobile telephone service.
- Fisons PLC said it was recommending production of Opticom, an eye-allergy medicine currently banned in the United States, in Britain following the relicensing of formulations by British regulators. (Reuters, AFP)

BULL: France Goes With Big Blue

(Continued from page 1)
 IBM, despite its current woes, represents the safer long-run choice.

Although the marriage with IBM means a more subservient role for Bull, it also fits in with France's longstanding belief that bigger is almost always better in industry.

To help clinch the deal, IBM mounted an intense lobbying campaign that focused on the high-technology jobs it already has in France and promised to increase its component purchases from SGS-Thomson, an ailing French-Italian microchip manufacturer.

Bull promises to open new doors for IBM to a French market long dominated by state-directed purchases. At the same time, Bull will provide IBM with laptop and portable computers developed by its Zurich subsidiary, which is a major supplier to the U.S. government.

"For IBM, the whole game is about market share," said Bill Coleman, computer industry analyst for James Capel & Co. in London. "At the same time, Bull's customers can take heart that it will remain a supplier of good products and services."

IBM and Bull agreed to work together to develop a broad range of computer products. Through its new arrangement, Bull also may eventually benefit from the recently concluded alliance between IBM and Apple Computer Inc.

Bull and SGS-Thomson, which may also join forces with Hewlett-Packard in other areas, are both seeking technology and cash from U.S. partners. With a new computer chip costing as much as \$500 million to develop, neither company alone can afford to remain competitive in advanced technologies.

Although IBM stands to generate only marginal gains in technology from Bull, it needs every partner it can find in the increasingly brutal computer market it once dominated.

"Such an agreement was no doubt impossible to imagine just a year ago," Mr. Lorenz said. But the computer industry is being wracked by such profound changes that "for our own survival, we have to put our strengths together," he added.

Bull and IBM will collaborate in developing products incorporating RISC microchips, the high-speed semiconductors used in workstations favored by engineers. IBM currently holds only about a 10 percent share in RISC-based workstations, one of the fastest growing segments of the computer market.

Hewlett-Packard expressed disappointment with the government decision. "This was a political-economic decision, not an industrial one," said Kieffer Beauvillain, president of Hewlett-Packard's operations in France.

COMPANY RESULTS

Company	1991 Revenue	1991 Profit	1990 Revenue	1990 Profit
Japan				
Isuzu Motors	1,577.1	152.7	1,512.1	152.7
Britain				
Lucent	2,550.0	222.0	2,220.0	222.0
Germany				
Bayerische Landesbank	2,773.0	143.0	2,773.0	143.0
Spain				
Banco Bilbao Vizcaya	1,017.0	101.7	1,017.0	101.7
United States				
Armstrong World Ind.	2,117.0	211.7	2,117.0	211.7
Other				
Thyssen	2,200.0	220.0	2,200.0	220.0

Paris Approval Seen for Nestlé Bid

Reuter
PARIS — France is likely to approve a hostile bid by Nestlé SA of Switzerland and Banque Indosuez Suez of France for the mineral water company and cheese company Source Perrier SA, a government official said on Tuesday.

The French Treasury has until Feb. 20 to rule on the bid but may announce its decision before that date, the official said.

"I don't think the matter presents any problems," the official said, noting steps taken by France to make it easier for foreign companies to invest in the country.

The Conseil des Bourses de Valeurs on Monday approved the 13.3 billion French franc (\$2.45 billion) bid, one of several regulatory steps that it has to pass.

SCONTINVEST FUND MANAGEMENT COMPANY S.A.
 18, Boulevard Royal
 L-2449 LUXEMBOURG

NOTICE

The Board of Directors of SCONTINVEST FUND MANAGEMENT COMPANY S.A. has decided to open the SCONTINVEST FUND - NORTH AMERICA EQUITY for subscription as of February 1, 1992.

The initial subscription period shall be from February 1, 1992 until February 28, 1992 and the initial price per unit shall be U.S. \$1,000.

An addendum to the Prospectus and Management Regulations of December 1990 is available at the registered office of the Management Company.

The Board of Directors

ADVICE TO INTERNATIONAL TENDER

THE "SOCIETE COMORIENNE DES HYDROCARBURES" INVITES INTERNATIONAL TENDERS FOR THE SUPPLY OF THE FOLLOWING PETROLEUM PRODUCTS.

- MOGAS (90 RON) : 9,000 METRIC TONS
- JET AL (ATK) : 7,000 METRIC TONS
- GAS OIL (50/50 or 55/45) : 10,000 METRIC TONS (SULPHUR CONTENT BELOW 1%)

• SUPPLY : MIX CARGO BY BATCH OF 2000 TO 3000 MT

• 1ST DELIVERY : EARLY MAY 1992

• FURTHER DELIVERIES : EVERY 30 DAYS AFTER 1ST DELIVERY, ACCORDING TO PROGRAM DEFINED WITH SOCIETE COMORIENNE DES HYDROCARBURES

• PRICES : IN U.S. DOLLARS, CIF DELIVERED INVARIABLY TO MORONI OR MUTSAMUDU

• PAYMENT : IN U.S. DOLLARS BY IRREVOCABLE AND CONFIRMED LETTER OF CREDIT

• FINANCING : OPEC FUND - VIENNA - AUSTRIA

SEALED OFFERS ARE TO BE RECEIVED LATEST MARCH 15T, 1992 TO:

MONSIEUR LE DIRECTEUR GENERAL
 SOCIETE COMORIENNE DES HYDROCARBURES
 P.O. BOX 28
 MORONI
 RFI DES COMORES

FOR FURTHER INFORMATION:

- SOCIETE COMORIENNE DES HYDROCARBURES - MORONI - COMORES
- TEL: (269) 73.04.86/73.09.71
- FAX: (269) 73.18.83
- TLX: 226 HYDROCOM KO

EMBASSIES OR RFI DES COMORES

- 20 RUE MARBEAU TEL: 40.67.90.54
- 75016 PARIS - FRANCE FAX: 40.67.72.96

• P.O. BOX 10635
 JEDDAH 21443 - ARABIE SAOUDITE
 TEL: 69.36.963
 FAX: 69.33.542
 TLX: 606786 KOMCR SJ

INTRODUCTORY TRIAL OFFER TO THE GLOBAL INVESTMENT DIRECTOR

A twice-monthly compendium of investment analysis and commentary.

- Timely Opportunities Highlighted
- Exclusive Major-Cycle Monitor
- Trend Reversals Identified

A six-week subscription absolutely free!

NEXT ISSUE - A GOLDEN OPPORTUNITY

The coming boom in GOLD and how to maximize the rewards of being just slightly ahead of the crowd.

GET THE COMPLETE ANALYSIS... FREE.

Simply fill in and mail the coupon today to:

Global Resource Capital Limited
 Elizabethan Square
 P.O. Box 1561, Grand Cayman
 Cayman Islands, B.W.I.

No Obligation

YES I would like to receive The Global Investment Director absolutely free for six weeks.

YES I would like to receive Global Resource Capital's free pamphlet on Tax Haven Investing.

NAME: _____

STREET: _____

CITY: _____ COUNTRY: _____

PHONE: (Eux.) _____ (Res.) _____

FAX: (Eux.) _____ (Res.) _____


Mail or Fax to: GLOBAL RESOURCE CAPITAL LIMITED
 Elizabethan Square, P.O. Box 1561, Grand Cayman, Cayman Islands, B.W.I. - Fax: (809) 94-9028

Le quotidien le plus cher du monde fait peau neuve.

Pourquoi les dirigeants français lisent-ils fidèlement un quotidien dont l'abonnement est à 7.700 F par an? Parce qu'ils y trouvent depuis 1911 une information financière et stratégique unique en France. L'Agefi continue.

en 1992 à améliorer sa qualité rédactionnelle en mettant à la disposition de ses 7.000 abonnés privilégiés 60 journalistes financiers et 13 bureaux dans les capitales financières. Pour un "quotidien zéro faute". L'Agefi est le seul quotidien national imprimé à 5 heures du matin et porté aux états-majors à 8 h 30. Pour préparer leur journée de travail. L'Agefi nouvelle formule permet encore davantage à ces privilégiés de commencer leur journée avec une information rare. donc chère.

LA PUISSANCE CACHÉE



NYS

Today's Closing Tables include the closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Table of stock market data including symbols, prices, and changes.

Table of stock market data including symbols, prices, and changes.

Table of stock market data including symbols, prices, and changes.

Table of stock market data including symbols, prices, and changes.

Table of stock market data including symbols, prices, and changes.

Table of stock market data including symbols, prices, and changes.

Table of stock market data including symbols, prices, and changes.

(Continued on next page)

NYSE High-Lows

Table listing NYSE High-Lows with columns for stock symbols and prices.

AMEX High-Lows

Table listing AMEX High-Lows with columns for stock symbols and prices.

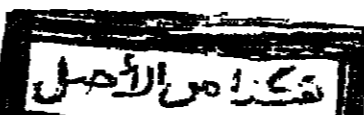
Advertisement for MACY'S with text: 'NEW YORK... R. H. Macy...' and 'Macy is the...'.

Advertisement for INTEREST with text: 'The United...' and 'For a complete...'.

Advertisement for 'An American Guide to Living in Europe' with text: 'If you have international...'.

Advertisement for MANUFACTURE with text: 'U.S. Company of a Million...' and 'Factory Direct...'.

Advertisement for OFFSHORE COMMERICAL BANKS with text: 'Established 10 years...'.



Macy Joins the Leveraged Buyout Heap

By Floyd Norris
New York Times Service
NEW YORK — The bankruptcy filing of R.H. Macy & Co. represents yet another leveraged buyout gone bad...

It had a large amount of debt but also an operating cushion so large that in the fiscal year ended Aug. 1, 1987, the first after the buyout, cash flow was enough to cover all interest expenses...

Then came the 1988 bidding war for Federated Department Stores, fought by Macy and Campeau Corp., controlled by Robert Campeau, a Canadian financier.

MACY: How the U.S. Department-Store Chain Fell Victim to Its Vision

(Continued from first finance page)
The sales season would be a disappointment. To be sure, Mr. Finkelstein was not alone in underestimating the depth of the consumer recession...

seek refuge from its creditors under Chapter 11 of the bankruptcy law, following a path forged by Federated, Allied, Ames and others.

in the 1986 buyout for the 300-strong Macy management team was \$75,000. The projected payback for a \$75,000 investment, when Macy was expected to be sold to the public some time in the 1990s, was \$1.5 million — a 20-fold return.

tion was establishing the basement of Macy's San Francisco store as a cheery mart filled with housewares and renamed the Cellar.

NYSE

Tuesday's Closing

Tables include the nationwide price up and do not reflect late trades elsewhere. Via The Associated Press.

(Continued)

Table with columns: High, Low, Close, Change, Volume, Open, Bid, Ask, Last Sale. Lists various stock indices and individual stocks.

Large table with multiple columns listing various financial data, including stock prices, interest rates, and other market indicators.

TENDER NOTICES

RECYCLE '92
5th INTERNATIONAL FORUM AND EXHIBITION
DAYS, SWITZERLAND
APRIL 7-10 1992

IMPORT/EXPORT

FACTORY NEW - SURPLUS S.S. VALVES
Available for IMMEDIATE delivery.
300 LB Flanged 316 S.S. pipe valves.

IMPORT/EXPORT

BINO COGNAC
100% made in the USA.
Blue label, priced to sell.
FAX: 718-273-7763 USA

BUSINESS OPPORTUNITIES

INTERNATIONAL OFFSHORE COMPANY INCORPORATIONS
FROM US\$150
Comprehensive professional services.

BUSINESS OPPORTUNITIES

PACIFIC COAST - COSTA RICA resort
for sale. Established 1978. 5000 sq. ft.
annual production. 12 villas, 5 acres of
landscaped pool, restaurant, bar.

BUSINESS OPPORTUNITIES

MACHINERY FOR MANUFACTURING
DYEING AND FINISHING.
General purpose machinery for general
process to manufacturing plant for 3
textile mills.

BUSINESS OPPORTUNITIES

TECHNOLOGY TRANSFER OFFER
DYEING AND FINISHING.
General purpose machinery for general
process to manufacturing plant for 3
textile mills.

BUSINESS OPPORTUNITIES

USA ATLANTA - 1994 Olympic
bid shopping trip. 8 days.
Airlines, hotels, ground transportation,
car rental, meals, etc.

BUSINESS SERVICES

CAMBRIDGE GROUP INTL. Helping
GPs to identify an action 3
contract through multiple
opportunities.

ATTENTION EXECUTIVES

Publish your business message
in the International Herald Tribune,
where more than a million readers
will see it.

BUSINESS OPPORTUNITIES

UNITEL
International Intelligence & Security Advisers
The United Group provides highly confidential services worldwide to multinational corporations, private firms and governments...

BUSINESS OPPORTUNITIES

BRANDS FIRST-QUALITY leather
clothing shoes, men's & women's.
All prices reasonable for immediate
delivery from USA. Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

WATERSHIRE "SIMILAR TO MINE'S"
Agents.
Available for sale.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

LOOKING FOR NEW IDEAS?
Real estate to invest.
opportunity.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

USA CORPORATIONS
Investment opportunities.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

CONSTRUCTION RENOVATION
DECORATION CONSIDERATION
ARCHITECTURAL CONCEPTIONS
have always been the essential
part of any construction project.

BUSINESS OPPORTUNITIES

OVERSEAS/OFFSHORE BANKING
USA based real estate firm with
daily sales, leasing, WA/AC offshore
real estate.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

JAPANESE FAX & PHOTOCOPIERS
distributed by established distributors
in South Africa, South America,
USSR & India.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

RECEIVE US RESIDENCE CARD
invest in newly formed US company
and receive permanent residence
status.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

INCREASE YOUR BUSINESS
FIELD. We help you to reach the
world.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

BUSINESS OPPORTUNITIES

ATIN:
EUROPEAN MULTI-FRANCHISE
MASTER LICENSE
One of the fastest growing franchise
opportunities in the USA.
Contact: Fax: 305-865-9211

Output Falls, but Tokyo Stays Upbeat

Compiled by Our Staff From Dispatches TOKYO — Prime Minister Kiichi Miyazawa on Tuesday reaffirmed Japan's growth target of 3.5 percent for the year beginning April 1, despite a report that industrial production fell in December and posted the lowest growth for five years in 1991.

Private economists were guarded in their outlook, saying that fading business confidence, mounting inventories and a weakening economy justify another cut in Japan's discount rate in the first quarter.

"Japan's economy seems to be falling down the slope and the speed of its fall could accelerate as companies' business confidence is evaporating quickly," said Masaru Takagi, chief economist of Fuji Research Institute Co.

The Ministry of International Trade and Industry reported that industrial production fell 0.9 percent in December from November and was down 1.4 percent from a year earlier. Output rose 2.1 percent for all of 1991, down from growth of 4.6 percent in 1990 and the worst result since 1986, when output actually fell 0.2 percent.

Production is likely to show year-on-year falls in the first quarter of this year, a ministry official said, adding that the half-point cut in the discount rate to 4.5 percent

on Dec. 30 had not yet improved corporate production plans.

Another sign of Japan's economic slowdown came from the Economic Planning Agency, which said the economy had entered a corrective phase. But the agency said the government had taken or was preparing stimulative mea-

asures, including larger public spending, an end to restrictions on real estate investments and the recent discount-rate cut.

Mr. Miyazawa emphasized the drop in rates in speaking in parliament. "Enthusiasm for capital spending remains strong and housing investment is gradually recov-

ering due to a decline in interest rates," he said. "The economy shall grow as much as the government has forecast."

The government has projected growth of 3.7 percent in the year ending March 31, and 3.5 percent in the following year.

The planning agency predicted that a period of sustained, non-inflationary growth would follow the current "phase of adjustment," but the agency's head acknowledged that sentiment was weak.

"The numbers are not great, but the market is usually to an extent unjustified by the numbers," said the official. Takashi Noda. "It would be undesirable if that mindset in turn had a negative effect on the real statistics."

Private economists said the government is edging toward an acknowledgment that the economic boom ended last year, but wants to be careful for fear of triggering negative business reactions.

"The EPA is under pressure to juggle the numbers — we're just waiting for an announcement of a slowdown," said Jasper Koll, chief economist at S.G. Warburg Securities.

"At the BOJ the idea is that inflation is down — and that's very good — but it has not been squeezed out of the system," Mr. Koll said. (AFP, Reuters, UPI)

Hanoi Moves to Open 5 Offshore Oil Tracts

HO CHI MINH CITY — Vietnam has agreed in principle to grant oil exploration concessions to companies from Europe, Japan and South Korea for five sought-after offshore oil tracts, Western business sources said Tuesday.

Concessions were granted to British Petroleum Co. and Statoil of Norway, Total SA of France, and Royal Dutch/Shell Group, the sources said.

Vietnam's state oil company, PetroVietnam, signed agreements in principle with the companies last week, the sources said.

PetroVietnam had no immediate comment.

The companies will now negotiate production-sharing contracts with PetroVietnam. One Western business executive said the first contracts might be signed by April.

The sources said Vietnam was likely to agree in principle to grant exploration concessions soon for the five tracts that used to be held by VietsovPetro.

Hanoi persuaded VietsovPetro, which is now controlled by Vietnam and Russia, to give back the tracts because Moscow lacked the capital and technology to develop them.

The project could take three years to complete and provide employment for some 7,500 Filipinos, Mrs. Arroyo said.

Glenn Arroyo, the undersecretary of trade and industry, said the proposed 125 acre (50 hectare) facility would be located on Macian island in Cebu province, 350 miles (560 kilometers) south of the capital.

The project could take three years to complete and provide employment for some 7,500 Filipinos, Mrs. Arroyo said.

Glenn Arroyo, the undersecretary of trade and industry, said the proposed 125 acre (50 hectare) facility would be located on Macian island in Cebu province, 350 miles (560 kilometers) south of the capital.

The project could take three years to complete and provide employment for some 7,500 Filipinos, Mrs. Arroyo said.

Glenn Arroyo, the undersecretary of trade and industry, said the proposed 125 acre (50 hectare) facility would be located on Macian island in Cebu province, 350 miles (560 kilometers) south of the capital.

Sydney's Bond University Gets a Japanese Landlord

SYDNEY — A Japanese real estate group became the owner on Tuesday of the buildings housing Australia's first private university and the land on which it stands.

Property and land leased to Bond University, established by the financially troubled entrepreneur Alan Bond, is now owned by Japan's EIE International Corp. after Bond Corp. Holdings sold its half stake for \$55 million Australian dollars (\$41 million), a company spokesman said.

EIE now owns 400 hectares (988 acres) of land in the area, including the small part where the university is situated.

The sale does not affect the administration of the university, an independent, nonprofit institution.

"While we deeply regret having to exit from the project, we believe that in all the circumstances it will prove to be in the long-term best interests of the institution," said the Bond Corp. chairman, Peter Lucas.

Bond Corp., a brewing and media giant, is in the hands of administrators. Alan Bond, its former chairman, quit the company in 1990 and has been fighting a court battle to stave off bankruptcy.

Korea's Kia Plans U.S. Dealer Network

By Adam Bryant New York Times Service DETROIT — Kia Motors Corp. of South Korea says it plans to develop a dealer network in the United States to start selling subcompact cars and small sport-utility vehicles in 1993.

Kia, which is South Korea's No. 2 automaker, after Hyundai, made the Festiva subcompact distributed by Ford in the United States. Ford Motor Co. owns 10 percent of Kia.

Kia also announced that W. Gregory Warner, a former Hyundai Motor America executive, would become the North American project's chief operating officer.

Mr. Warner has been a consultant to Kia since November.

Kia faces many challenges in the American market as it takes aim at

Keating Expected to Try an Exports Cure

Compiled by Our Staff From Dispatches SYDNEY — Exports to the Asia-Pacific region will be central to a major economic strategy being prepared by Prime Minister Paul Keating and his key ministers, analysts said Tuesday.

Mr. Keating and six senior ministers on Thursday are to begin examining 40 proposals gathered over three weeks from business leaders, trade unions and the six state governments to revive the stagnant economy.

Some of the proposals, including tax and investment incentives to exporters, will form the basis of the statement that Mr. Keating is expected to deliver late next month or in early March.

An economist with Bain & Co., Ivan Calhoun, said Mr. Keating's long-term aim would be to build on Asia-Pacific trade and growth through exports.

But a leading independent organization of busi-

McDonnell Seeks Philippine Site

MANILA — McDonnell Douglas Corp. is negotiating to build a \$600 million maintenance facility in the central Philippines, officials said Tuesday.

Glenn Arroyo, the undersecretary of trade and industry, said the proposed 125 acre (50 hectare) facility would be located on Macian island in Cebu province, 350 miles (560 kilometers) south of the capital.

The project could take three years to complete and provide employment for some 7,500 Filipinos, Mrs. Arroyo said.

Glenn Arroyo, the undersecretary of trade and industry, said the proposed 125 acre (50 hectare) facility would be located on Macian island in Cebu province, 350 miles (560 kilometers) south of the capital.

Glenn Arroyo, the undersecretary of trade and industry, said the proposed 125 acre (50 hectare) facility would be located on Macian island in Cebu province, 350 miles (560 kilometers) south of the capital.

Investor's Asia table showing stock indices for Hong Kong, Singapore, and Tokyo with columns for Exchange, Index, Tuesday Close, and % Change.

Very briefly:

- Hitachi Ltd. of Japan will close its U.S. television and videocassette recorder plant, operated by Atlanta-based Hitachi Home Electronics Inc., by the end of this year and transfer operations to Malaysia and Mexico, a spokesman said.

Large table of International Funds with columns for fund names, currencies, and prices. Includes sections for 'Other Funds' and 'Advertisement'.

For information on how to list your fund, fax Simon OSBORN on (33-1) 46 37 52 12.

OBSERVER

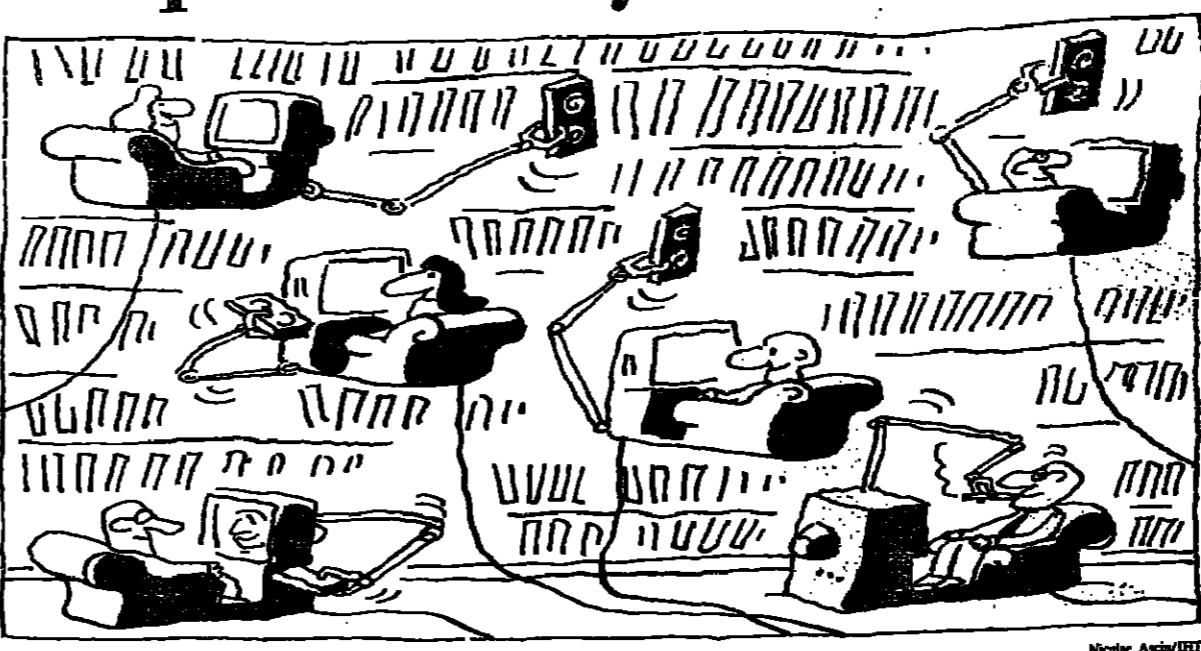
'Meet the Adulterer'

By Russell Baker
NEW YORK — "Welcome, election fans, to 'Meet the Adulterer,' the Emmy-Award-winning news show that lets presidential candidates tell their own revolting stories of squalid and sordid conduct with models, actresses, bimboes and..."

shows like Emmy-Award-winning 'Meet the Adulterer,' you were afraid Americans wouldn't notice you were even running..."

The Vidéotheque: Memory Bank of Paris

PARIS — Its name is pretty hokey and it is located in an underground shopping mall in Les Halles, handy to expressway lines and to countless pickpockets. As French cultural institutions go, the Vidéotheque de Paris could hardly be less..."



With inexpensive video cameras, the quantity of footage available to record life in 20th-century Paris has greatly increased. But, Cayla says, the quality has deteriorated..."

PEOPLE

Harvard Club Honors Yale Grad Jodie Foster

Never mind that Jodie Foster went to Yale; she was named 1992 Woman of the Year by the Hasty Pudding Theatricals at Harvard and will be honored with a parade through Harvard Square on Feb. 11..."

Partial view of another article on the right side of the page, mentioning 'Green' and 'Politico'.

TODAY'S BUSINESS MESSAGE CENTER
Appears on Page 13

PERSONALS ANNOUNCEMENTS
THE HIT IS NOW AVAILABLE IN MANY U.S. CITIES ON DATE OF ISSUE

AUTOMOBILE MARKET
ARMORED VEHICLES
AUTOS TAX FREE

LOW COST FLIGHTS
ACCESS VOYAGES
New York, Los Angeles, Washington, Miami, Atlanta, San Francisco, London

REAL ESTATE FOR SALE
COSTA RICA
COFFEE FARMS IN FULL PRODUCTION

MOVING
Omni
INTERNATIONAL MOVERS

BOATS/YACHTS
WORLD CLASS MOTORSALES

AUTOS TAX FREE
FRED OWEN RACING WORLDWIDE

REAL ESTATE TO RENT/SHARE
PARIS AREA FURNISHED
74 CHAMPS ELYSEES

REAL ESTATE TO RENT/SHARE
PARIS AREA UNFURNISHED
15th M^e COMMERCIAL 50 sqm

REAL ESTATE TO RENT/SHARE
PARIS AREA UNFURNISHED
EXCLUSIVE FURNISHED RESIDENCE

REAL ESTATE TO RENT/SHARE
GREAT BRITAIN
CHELSEA Fully Serviced Apartment

REAL ESTATE TO RENT/SHARE
PARIS AREA FURNISHED
FLAT/TOUR OF VERSAILLES

EMPLOYMENT
DOMESTIC POSITIONS WANTED
2 FRENCH GENTLEMEN looking for permanent job

EMPLOYMENT
GENERAL POSITIONS AVAILABLE
The Advertising Department of the Herald Tribune

EMPLOYMENT
RECEPTIONIST
English telephone reception

MARGHERIT FOREIGN EXCHANGE AT INTERBANK RATES
LONDON TRADING DESK

Currency Management Consultants Limited
Winchester House 77 London Wall

HEALTH/MEDICAL SERVICES
THERAPIST and stress, body fitness offers individualized sessions in Paris

LEGAL SERVICES
CANADA IMMIGRATION
Joseph W. Allen, licensed lawyer, practicing in Montreal, Canada

AVIATION
Two Boeing 707s 323h
185 PAX, Full Kitchen, Full Crew

COLLECTIBLES
INTERESTED IN BUYING very old dolls (antiques) brocade dresses and tapestries

Page 17 FOR MORE CLASSIFIEDS

SAVE UP TO TWO EXTRA MONTHS FREE with a 12-month subscription
Herald Tribune
Lock in big savings when you subscribe to the HIT - plus 52 free issues. Mail us your order today or call us 437-84 8585.

Partial view of another article on the right side of the page, mentioning 'Habash of P' and 'Suffers Stro'.